FBIS DAILY REPORT

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OLADE REPORTS ON LATIN AMERICAN OIL RESERVES

PA272010 Quito Cadena Ecuador Radio in Spanish 2300 GMT 27 Feb 82

[Text] According to an OLADE report, Latin America has 780 billion barrels of oil. The report notes that Mexico, Venezuela and Brazil have the largest deposits. Mexico and Venezuela have 89 percent of the oil reserves and, together with Argentina, 80 percent of the [words indistinct].

According to the report, oil represents the largest volume of Latin American imports -- 92 percent -- and of exports -- 97.7 percent.

The report said that this crude provides more than 50 percent of the region's primary energy.

CHILE REJECTS PERUVIAN COPPER PRICE PROPOSAL

PY272139 Buenos Aires LATIN in Spanish 1952 GMT 27 Feb 82

[Text] Santiago, Chile, 27 Feb (LATIN-REUTER) -- The Chilean Copper Commission has rejected a Peruvian suggestion to conclude an agreement between the two countries to increase the price of copper. A statement released by the commission today said that an action of this type would hamper the development of the mining sector of the member-countries of the Intergovernment Council of Copper Exporting Countries (CIPEC) to which Chile and Peru belong together with Zambia, Zaire, Australia, Mauritania, Indonesia and Papua New Guinea.

Celso Pastor Torres, former Peruvian ambassador to the United States, urged Chile and Peru in Washington on Thursday to jointly defend the copper price on the international markets.

Today's statement said that it would be impossible to implement a long-term agreement, because copper is very abundant and very widespread geographically.

Peru and Chile, two of the largest copper exporters of the world, have a total share of 15 percent in the production.

BRIEFS

BOLIVIAN-PERUVIAN ENTERPRISES -- Under the auspices of the Andean Development Corporation [CAF], representatives of the Peruvian and Bolivian Governments yesterday implemented a plan to create binational enterprises in border areas between the two countries. The ceremony took place at the Foreign Ministry with the participation of a high-level Peruvian delegation and Bolivian Foreign Minister Gonzalo Romero. Former Bolivian Minister of Planning and Coordination Fernando Salazar participated as CAF special representative. [La Paz Cadena Panamericana in Spanish 1130 GMT 26 Feb 82 PY]

AMBASSADOR TO U.S. SAYS RELATIONS IMPROVING

PY012113 Buenos Aires Domestic Service in Spanish 2000 GMT 1 Mar 82

[Text] The Argentine ambassador to the United States has returned home. Ambassador Esteban Takacs said that bilateral relations are at a very good level and that they are constantly improving. He added that, in his opinion, relations are at an optimal level.

FOREIGN MINISTER INSISTS CLASH WITH CHILE OVER

PY012022 Buenos Aires NOTICIAS ARGENTINAS in Spanish 0030 GMT 26 Feb 82

[Text] Buenos Aires, 25 Feb (NA) -- At the end of a visit by Argentine President Leopoldo Galtieri to the Foreign Ministry, Foreign Minister Nicanor Costa Mendez said today that the incident with Chile that occurred last week in the Beagle Channel has been "overcome." Costa Mendez admitted that during his meeting with the president they discussed among other things the southern region conflict, the situation in El Salvador and the Argentine-UK negotiations over returning the Malvinas Islands to Argentine sovereignty. Costa Mendez noted that "direct negotiations with the UK start tomorrow." This is another round of negotiations with the objective of solving the 100-year old dispute.

Regarding El Salvador, the foreign minister said that the present clashes between the government led by President Napoleon Duarte and the rebels was not discussed as such but rather "the issue within the international situation." Answering a question as to whether Argentina is planning to send observers to the Salvadoran elections that are scheduled for March, Costa Mendez said that it would not.

In essence, the foreign minister said that the Argentine Government will not send official observers to the elections but the Salvadoran Government has sent invitations to personalities from several countries and they may go to El Salvador but on a personal basis. The Salvadoran Government has sent an invitation to Jose Antonio Allende of the Argentine Popular Christian Party.

The meeting at the Foreign Ministry was held from 1130 to 1400. Answering journalists, President Leopoldo Galtieri said that "I came here to learn about the organization and operational situation of Foreign Ministry personnel" and "of course we also discussed other government issues." A 1 and 1/2 hour meeting was held at the Foreign Ministry Gold Room; in addition to President Galtieri and the foreign minister, the meeting was attended by members of the diplomatic corps.

Costa Mendez, who spent more time with reporters, said that his forthcoming trip to Brazil "will be a short working trip with an open agenda." He added that "both the Brazilian foreign minister and I intend to hold an open dialogue, something which we would also like to maintain with all countries."

Regarding the visit that U.S. Assistant Under Secretary of State for Latin American Affairs Thomas Enders will make to Argentina, Costa Mendez said that there will be "an open agenda" for meetings which "have not yet been worked out."

Asked whether last week's incident with Chile caused by the presence of an Argentine ship near Deceit Island in the Beagle area had been overcome, the minister said: "I believe this incident is closed." Costa Mendez noted that his "main concern is to establish adequate and harmonious Argentine participation in the international system in accordance with our national interest." Asked if this course would separate Argentina from the Third World, the foreign minister said that "I will answer that question some other time."

CHILEAN ENVOY SAYS RELATIONS 'COULD BE BETTER'

PY282117 Buenos Aires HERALD in English 28 Feb 82 p 9

[Text] Buenos Aires (NA) -- Relations between Argentina and Chile "are normal, but they could be better," Chilean Ambassador to Buenos Aires Sergio Onofre Jarpa Reyes said yesterday. The ambassador spoke to reporters at Ezeiza Airport, where he went to receive Santiago National University Rector Antonio Medina, who made a stopover here on his way back to Chile from a visit to Israel.

"According to the reports in its development, and I believe there are going to be meetings with Cardinal Antonio Samore in the next few days or weeks to make advances with the purpose of reaching a final settlement," Jarpa Reyes said, referring to the Vatican mediation between the two countries of the Beagle Channel border dispute. He denied persistent rumours that the U.S. could play a role in the final settlement. Our friends are ready to help us, but not to intervene, because they want a climate of peace, agreement, understanding, especially at a moment when some Latin American nations face a very difficult situation, caused by subversion and extremists," the Chilean ambassador said.

"In these circumstances it is very important that nations such as ours who have already been through the hard trial of subversion form a front to defend freedom, to defend the values of Western and Christian civilization," he added.

Asked whether Chile might consider taking the Beagle dispute to the International Court at The Hague should the Vatican mediation fail, the ambassador replied: "This is an issue to be resolved at its proper time by the Chilean Government according to circumstances. I believe that our government has to try all possible ways, all possible solutions, to reach a peaceful settlement for the southern dispute, if the court at The Hague can help bring this about, I believe our government is obliged to use it."

MALVINAS TALKS WITH UK DELEGATION RESUME

PY262158 Buenos Aires TELAM in Spanish 1935 GMT 26 Feb 82

[Text] New York, 26 Feb (TELAM) -- Argentina and Great Britain began a new round of talks here today on the future of the Malvinas, South Georgia and South Sandwich Islands, illegally occupied by Great Britain in 1833.

Implementing a change of plans decided on late yesterday, today's two meetings between the delegations of the two countries are being held at the site of the British permanent delegation to the United Nations, while tomorrow's -- Saturday -- meetings will take place at the site of the Argentine delegation to the United Nations.

The two permanent delegations to the United Nations, however, are note directly participating in the negotiations, which will end tomorrow afternoon. These negotiations are being carried out between the delegations sent to this city for this specific purpose.

The Argentine delegation is headed by Foreign Ministry Under Secretary Enrique Ros, in addition to Argentine Ambassador to the British Crown Carlos Ortiz de Rosas.

Originally Argentina was to be the host today and the United Kingdom tomorrow. Notwithstanding the change in the order and the replacement of the summit hotel, where the British delegation is staying, with the British Mission to the United Nations, the original order of luncheons given by the delegations is being maintained.

Today's luncheon is given at the Perigord Restaurant by the Argentine delegation, while tomorrow's luncheon will be given by the British delegation at the restaurant La Cote Basque. Only the two delegations will participate in these luncheons. It was announced that no report will be released on the development of the negotiations on the sovereignty of these islands until the conclusion of the talks tomorrow.

Diplomatic sources recalled today that Argentina went to these meetings with well-defined guidelines based on the declaration issued by the Argentine Government on 27 July 1981 and based on the need to clearly recognize Argentine sovereignty over these islands. The declaration issued on 27 July, which contains six points, clearly and expressly states that any realistic negotiation on the Malvinas, South Georgia and South Sandwich Islands supposes the recognition of Argentine sovereignty over these islands as an essential point for reaching a solution.

Observers close to the negotiations indicated today that the British delegates seem to be ready to try to avoid this subject and to drag out the talks even more. If this observation is true, the Argentine delegation will try to explain clearly its point of view on the issue and seek a precise answer from the British negotiators. These sources explained clearly that the Argentine delegates arrived in New York with the positive idea that there was no more time for procrastination and that they were ready to seek through other means the solutions now being negotiated on if these talks did not lead to a quick and satisfactory agreement.

Joint Communique

PY011409 Buenos Aires TELAM in Spanish 1248 GMT 1 Mar 82

["Text" of Argentine-British joint communique on 26-27 February New York meeting about Malvinas Islands released by Argentine Foreign Ministry on 1 March]

[Text] Buenos Aires, 1 Mar (TELAM) -- Argentine and British delegations held a ministerial-level meeting in New York on 26 and 27 February 1982 to talk about the Malvinas question within the context of pertinent resolutions of the United Nations.

The Argentine and British delegations were headed respectively by Enrique Ros, foreign relations under secretary, and Richard Luce, minister of state at the Foreign Office.

The meetings were held in a cordial, positive atmosphere. The two parties reaffirmed their decision to find a solution for the dispute over sovereignty and considered in detail a proposal from Argentina on procedures to make more progress toward that goal. The parties agreed to so inform their respective governments.

OBSERVERS TO EL SALVADOR MARCH ELECTIONS VIEWED

PDC Leader Allende

PY260244 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1855 GMT 25 Feb 82

[Text] Buenos Aires, 25 Feb (NA) -- Jose Antonio Allende, leader of the Christian Democratic Party, today denied that he is aware of the possibility of being designated observer at the 23 March elections in El Salvador, although he expressed hope that Argentina will send a delegation of that nature.

In answer to a question by NOTICIAS ARGENTINAS, the former senator stated that he learned through the newspapers about the possibility of sending a delegation of observers to the Salvadoran elections.

Allende stated that he is united "through a long friendship" with Jose Napoleon Duarte, leader of the Salvadoran Christian Democratic Party and president of the government junta, and that he hoped "above all for the total fulfillment of the Salvadoran democratic process." According to rumors that have been circulating, the leader of the Christian Democratic Party has been mentioned as one of the probable candidates to make up the delegation of Argentine observers to the Salvadoran elections.

Francisco Manrique, former social welfare minister and head of the Federal Party, and another probable candidate to make up the delegation of observers, also stated that he is unaware of the rumor, and added that the possibility of sending an Argentine delegation to that Central American country is "a foolishness."

Observers Private Citizens

PY261204 Buenos Aires NOTICIAS ARGENTINAS in Spanish 2348 GMT 25 Feb 82

[Text] Buenos Aires, 25 Feb (NA) -- The Foreign Ministry tonight explained that the idea of observers going to the Salvadoran elections "responds to an invitation which the government of that country plans to make to different Argentine citizens." The Foreign Ministry explanation was made after reports from official sources indicated that Argentine political figures would go as observers for these elections.

The text of the Foreign Ministry communique states: "In relation to the presence of Argentine observers during the Salvadoran elections, it is reported that their attendance responds to an invitation which the government of that country plans to make to different Argentine citizens. Therefore, these observers will not represent the Argentine Government."

PRESIDENT CONDEMNS ANTI-SEMITIC VANDALISM

PY282150 Buenos Aires HERALD in English 27 Feb 82 p 9

[Text] Mar del Plata (NA) -- President Galtieri yesterday expressed to the local Jewish population his "repudiation" of hooliganism in the Mar del Plata Jewish Cemetery, in an attack which Jewish circles here linked to local TV showing of the film "Holocaust." Unidentified vandals uprooted tombstones and painted swastikas on the cemetery floor and on a nearby billboard. It was revealed that Interior Minister Alfredo Saint Jean had spoken to BA [Buenos Aires Province] Governor Jorge Aguado to learn details of the police investigation set up to identify the culprits. In BA, Information Secretary Rodolfo Baltierrez said the national government "repudiated" the attack and had ordered a full investigation into the incident.

SUBVERSIVE PROCLAMATION BROADCAST OVER TV

PY282315 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1332 GMT 28 Feb 82

[Text] Mar del Plata, 28 Feb (NA) -- A proclamation criticizing the government and presumably read by extremist Mario Firmenich last night interfered with the programs of Channel 8 of this city for almost 7 minutes. The clandestine transmission was heard cearly in the Playa Grande and Los Troncos neighborhoods.

At about 2200, when there was a movie on the screen, colors suddenly started fading on TV sets. Then, a female announced that the subversive Firmenich, now abroad, would speak. Next, a male voice read the proclamation, which was harshly critical of the military government. The proclamation was followed by the Peronist March, after which the interference ended.

Both Channel 8 and police sources have reported that nothing out of the ordinary had been noticed at the TV station. After the proclamation was beamed, the police carried out many actions, especially a sizable operation in the Playa Grande area, although no results have been reported.

PRESIDENT CONFIRMS 3-YEAR POLITICAL PLAN

PY271818 Buenos Aires TELAM in Spanish 0035 GMT 27 Feb 82

[Text] La Paz, 26 Feb (TELAM) -- President Celso Torrelio Villa again asserted today that his government intends to constitutionalize the country by 1984. In short statements made to the press in the town of Camargo, located 700 km southeast of here, where he attended the opening of a wine fair, the president said that 1982 has been proclaimed the year of economic reordering of the nation, that 1983 will be the year of political reordering and 1984 that of institutionalization of the country.

Foreign Minister Gonzalo Romero, who accompanied the president, said in his turn that the government has the firm intention of fulfilling the program established in the 3-year plan. Romero explained that the government would first call a consultation with the people or would seek general concensus in order to determine whether a direct election or a convention should be called. He stated that it is necessary to draw up or rewrite the political parties and electoral laws, but not the constitution of the nation.

In his speech at the opening of the fair, President Torrelio Villa said that the armed forces government intends to unify the Bolivians by rejecting political slogans and demagogical positions.

MINEWORKERS' LEADER ESCOBAR SENT INTO EXILE

PY271902 Paris AFP in Spanish 0203 GMT 27 Feb 82

[Text] La Paz, 26 Feb (AFP) -- Various sources reported today that Filemon Escobar, leader of the powerful Mineworkers Federation of the Bolivian Labor Central Organization (COB) and head of the leftist party workers vanguard, who was under detention in La Paz, has been expelled from the country into exile in Spain. The sources asserted that the union leader was put on a commercial plane which left for Madrid a few hours ago. Escobar was detained in Cochabamba, in the center of the country, 1 month ago and later transferred to the cells of the security organizations in La Paz from where several agents took him to the airport to be exiled.

PRESIDENT DENIES HUMAN RIGHTS VIOLATIONS

PY261327 La Paz Radio Illimani Network in Spanish 1100 GMT 26 Feb 82

[Text] President Celso Torrelio Villa has pointed out that his administration has never violated the principles of human rights since he became president last September. French Ambassador Raymond Cesaire had reported to an international news agency that violations of human rights have taken place in Bolivia. Bolivia on several occasions has expressed respect for these rights.

The chief of state was asked about the remarks made by the French ambassador and although he preferred not to discuss this matter, he then, at the insistence of reporters, denied the violations. During the opening of the school year in the school of higher national studies in the Miraflores Military Garrison he said to reporters: You know that we have never violated any human rights.

HUMAN RIGHTS ASSEMBLY ON POLITICAL DETAINEES

PY262336 Paris AFP in Spanish 1634 GMT 26 Feb 82

[Text] La Paz, 26 Feb (AFP) -- The Bolivian Human Rights Assembly denounced here today the fact that 28 labor and political detainees have been seized during the past few days.

Union leaders Filemon Escobar and Luis Lopez Altamirano, and political leaders Zenon Barrientos Mamani and Juan Rodriguez Guadama, of the People's Democratic Union [UDP], are among the detainees.

The remainder of the list is as follows: Claudio Montano, Omar Fernandez, Oscar Lopez, Fanor Rojas, Eduardo Ruiz, Carlos Ortega Pantoja, Javier Ledezma, Benigno Flores Medina, Lucio Valda, Raul Martinez Valda, Juan Carlos Romero, Jose Luis Lizeca, Jose Maria Gutierrez, David Aguilera, Mario Cuellar Quinteros, Fermin Flores, Antonio Aguirre Mamani, Francisco Mamani, Fernando Rivera, Percy Paz Mendez, Rene Cartagena, Efrain Reguez, Roland Romero and Enrique Velasquez Lopez.

Last Wednesday, French ambassador to La Paz, Raymond Cesaire denounced detentions and violations of human rights, a fact which led two Bolivian citizens -- Roberto Freyre and Luis Canedo Reyes -- to ask, through a paid advertisement today, that the ambassador be declared persona non grata and expelled from the country.

OFFICIAL STATION SCORES SILES ZUAZO'S DECLARATION

PY262052 La Paz Radio Illimani Network in Spanish 1100 GMT 26 Feb 82

[Station commentary]

[Text] Unfortunately in our country the political situation has become ironic. Let us recall, for example, that 72 political parties were formed during the last elections. Undoubtedly this was an unusual situation. Just the same, we have observed political positions recently that lack any logic, the contents of which make them absurd.

We are referring to the declaration made by Hernan Siles Zuazo calling on other political organizations to exert pressure for an immediate political opening. Through this declaration Siles intends to become the highest figure within the Bolivian political unity and one of the undeniable leaders of this country. However, few are the unwary who would let themselves be influenced by this political rhetoric. The truth is that Siles cannot even unify his own party; therefore, he lacks the moral authority to become the unifier of all national political organizations.

A few days ago the SAPORITI press agency reported the details of the internal crisis within Siles Zuazo's party -- the National Revolutionary Movement of the Left, MNRI. According to the report, some of the most outstanding leaders of this party were thrown out of the organization for opposing Siles' position, which is one of being willing to make deals with Moors and Christians, rightists and leftists. In other words, the most orthodox members of the MNRI broke with Siles Zuazo. This clearly shows the great ideological and doctrinal differences prevailing in that political party.

In conclusion, Siles Zuazo is not the right person to call for the joint action of the different political parties or fronts because it has been established that this Bolivian political leader cannot even maintain the unity of his own party. Apparently Siles' old age and his uncontrollable desire to return to power has made him rush into such an absurd declaration.

The Bolivian people are fully aware that the country is going through a process which in 3 years will make it a solid and stable democracy. Therefore, Siles' call undoubtedly shows an alarming desperation to return to governing Bolivia again.

PORTUGUESE FOREIGN MINISTER ARRIVES IN BRASILIA

PY020124 Brasilia Domestic Service in Spanish 2200 GMT 1 Mar 82

[Text] Portuguese Foreign Minister Andre Goncalves Pereira arrived in Brasilia from Rio de Janeiro today. In Brasilia he was met at the airport by Brazilian Foreign Minister Ramiro Saraiva Guerreiro. The Portuguese foreign minister will remain in Brasilia until next Wednesday.

EDITORIAL VIEWS REAGAN PROPOSAL'S CHANCES

PY012318 Sao Paulo O ESTADO DE SAO PAULO in Portuguese 26 Feb 82 p 3

[From "Notes and Information" page: "The Hour of Sacrifice"]

[Text] President Ronald Reagan must get ready for a hard struggle after having announced his policy for Central America and the Antilles before the Organization of American States (OAS).

In the first place he must convince the U.S. citizenry that there is still time to "prevent the much larger expenditures of treasure, as well as human lives," which will be necessary if the neighboring countries of the United States in that region of conflagration should collapse. In the second place, he must convince the U.S. Congress that it is necessary to overcome parochialism and the pressure exerted by the various "lobbies" [given in English] so as to gain legislative authorization for the free trade progra , even though limited. For the first time the head of the White House will have to test his personal and institutional prestige on an issue which the government, contrary to public opinion and that of Congress, considers decisive. The President's task becomes even more delicate if it is taken into account that the program announced the day before yesterday implies a clear acknowledgement that the United States shares and has shared the responsibility for having behaved, in the past, "arrogantly and impatiently" toward the peoples of the southern hemisphere who, since Teddy Roosevelt's time, have been considered immature and incapable.

President Reagan's speech is important as an example of self-criticism concerning the entire U.S. foreign policy; it is also relevant because it clearly acknowledges the interdependency between the southern and northern hemispheres, between the future of the Latin American farm workers and the future of the "white collar workers" of Massachusetts. When Reagan asserts that "what happens anywhere in the Americas affect us in this country," he is clearly referring to the umbilical relationship which Latin American personalities have insisted, always in vain, that U.S. politicians should acknowledge.

It was this lack of acknowledgement of the value which Latin American stability had for the U.S. military and economic security which created the necessary conditions for the creation and failure of the "Alliance for Progress" (launched to counteract the Cuban challenge) and which now has resulted in the program announced by Reagan. The U.S. leaderships are the only ones responsible for this lack of recognition, because since the end of the war and since the "Marshall Plan" was announced, voices have risen in the south -- even our daily gave its opinion -- drawing attention to a new provocation which was knocking on the southern hemisphere's door. Now Reagan seems to realize that something has to be done soon and proposes a modest aid program, confident that the opening of the U.S. market to the Central American and Antilles products (which unfortunately excludes textiles) will be able to encourage those who are faced with subversion in their countries.

Of course, the suggested $350 million will not solve a situation as delicate as the one the U.S. President depicted. This amount is a drop of water in the ocean of vital needs in the countries of the region -- needs so pressing that Reagan could not but talk about them, and he blamed the oil price increases for the crisis.

In reality, it is not the OPEC countries alone that should be blamed for the difficulties in the flimsy democracies of the area. All the factors contributing to unfavorable terms of trade -- raw materials at depressed prices and manufactured goods at inflation-adjusted prices -- have to be blamed for the foreign-exchange difficulties and economic crisis in those countries. Although small, the assistance is valuable as a symbol. The important point is that the opening of U.S. ports to a good many Central American and Caribbean products will help to alleviate the economic crisis. The political, social and military crisis will demand measures of another nature.

President Reagan was reticent about such measures, although the statement that customs exemptions will be granted after U.S. authorities have discussed "with each country its own self-help measures," and the reference to the TIAR [Inter-American Reciprocal Assistance Treaty] indicate that the speech to the OAS -- a barely qualified audience given its helplessness as an organization -- is just the first of series of steps intended to prevent the oligarchies from holding power forever and the emergence of new Cubas in the region. The point that is important to stress is that the White House has turned its eyes to the south not only to see but also to understand what is happening. From this point, Reagan and his assistants could look further ahead to see that difficult situations may yet develop south of the area upon which today they center their attention for obvious reasons of security in the confrontation with the Soviet Union.

In the effort to promote democracy and market economy, it is not sufficient to give a selective treatment to the Caribbean and Central America. All Latin America with its 400 million people can guarantee or not the security of 200 million Americans. After all, we all belong to the Western Hemisphere, as the U.S. president said so well. Now that the North American colossus has begun to move after long years of immobility, the time might be right to retrieve from the files the serene warnings made to the United States to the effect that the hemisphere, through the association of its authentic leaderships, could be transformed into a sanctuary for freedom -- even if this cost some sacrifice to the U.S. Treasury.

COST OF REAGAN CARIBBEAN PLAN TO COUNTRY VIEWED

PY011644 Rio de Janeiro JORNAL DO BRASIL in Portuguese 27 Feb 82 p 10

[Editorial: "Debatable Cost"]

[Excerpts] The plan to check the Castro-orchestrated communist expansion in the Caribbean which President Reagan has sent to Congress will cost $350 million this year, in addition to the cost of removing customs tariffs over a 12-year period for Central American products, with the exception of textiles.

Nobody argues about the importance of this initiative and the commendable motivation behind it.

What can be argued about the plan which Reagan presented before the OAS is its cost. What can be deplored about it is the delay and the emergency character.

The 12-year suspension of customs tariffs on products from the Caribbean region will force other developing countries like Brazil to pay, albeit indirectly, part of the cost of the U.S. plan. In panic over the growing "Cubanization" of the region, the United States adopts a positive attitude but uses a negative instrument, the "vertical preferences" which refer to countries rather than products.

In the case of Brazil, which exports 40 percent of its brown sugar to the United States, the contribution in dollars by not exporting a large portion of its production may amount in a year to $350 million, exactly the amount that was to come from the U.S. taxpayers' pocket. The impact on the Brazilian economy would be such, according to estimates by the Industry and Commerce Ministry, that Brazil will face difficulties in paying its foreign accounts. Brazil, like other Latin American countries whose economies are competitive with that of Central American countries, was not consulted as to how it could contribute, in the context of the desired inter-American solidarity, to the "Reagan plan."

The negotiation of commercial compensations with Washington seems to be the path open now, despite the surcharge recently imposed on Brazilian sugar exports. This is the time for Brazil to demonstrate its ability when it comes to handling the pragmatism of its foreign policy, emphasizing its commitment to the West on one side, and demanding its participation in the political dividends from the U.S.-led initiative in the Caribbean on the other.

REAGAN PLAN NOT BE FEARED AS TRADE THREAT

PY012131 Sao Paulo O ESTADO DE SAO PAULO in Portuguese 28 Feb 82 p 3

[From "Notes and Information" page: "Lack of Strategic Vision"]

[Excerpts] There is nobody today who does not recognize that the United States has greatly hurt its strategic (political and ideological, in addition to those exclusively military) positions in the Caribbean and Central America due to the lack of vision of U.S. businessmen who in the past influenced State Department policymakers in their evaluation of social reform movements in that part of the continent. Looking only upon short-term advantages and insisting on mantaining good relations with local oligarchs, U.S. policymakers contributed to weakening democratic reformist movements and provided ideological ammunition to subversive movements, thus creating over the years the situation with which Reagan and the hemisphere are confronted now.

The first official statements of Itamaraty about the text of the Reagan speech hinted that the plan to be submitted to the U.S. Congress might be discriminatory against Brazil and other countries which supply primary products. In a position statement which has even been presented to Secretary of State Alexander Haig, Itamaraty defended the thesis that preferences should be attached to products, not countries. Undoubtedly, this would be the correct way to reward productivity (provided it is not undermined by incentives) and to safeguard the principles of free trade.

Judging by the statements of its spokesman, Itamaraty is already evaluating the possible damage which the approval of the Reagan plan will inflict on Brazilian trade. In our view, that evaluation, in the context of the situation in Central America and the Caribbean, should not be restricted to evaluating economic losses. Possible damage to Brazil's strategic (political, ideological and military) defense in case of a victory of subversive forces in the area must also be assessed. The Reagan plan alone will not have the magic power to exercise the risk of that victory but, as President Mitterrand noted, it is "a step in the right direction." This being so and considering Brazil's global interests, which are certainly at stake north of the border, would it not be a lack of vision to complain about the dollars that will not come in, thus undercutting a strategy to solve a situation now, not tomorrow when to do so will cost many more dollars? Itamaraty cannot forget that five neighbors out of ten are located north of the border, and that therefore some sacrifice should also be required from the Brazilian Treasury.

PMDB, PP LEADERS ABSENT FROM CONGRESS OPENING

PY020010 Porto Alegre Radio Guaiba in Portuguese 2150 GMT 1 Mar 82

[Text] Brasilia -- The reopening of congress was marked by the absence of the presidents of the Brazilian Democratic Mobilization Party, PMDB, and Popular Party, PP, Ulises Guimaraes and Tancredo Neves respectively. They did not attend. Deputy Magalhaes Pinto, the most important opponent of the merger, also did not attend. The secretary general of the Social Democratic Party, Prisco Vianna, PDS, confirmed that eight pages of the presidential message were omitted.

TEXTILE TRADE AGREEMENT SIGNED WITH U.S.

PY231709 Rio de Janeiro O GLOBO in Portuguese 20 Feb 82 p 18

[Text] An agreement regulating Brazilian textile exports to the United States for the next 3 years was signed yesterday. The new agreement restricts the overall volume of exports, preventing growth beyond the maximum established quota of 159 million square yards per year. It also restricts the sale of synthetic products on the U.S. market.

Edgard Arp, chairman of the Rio de Janeiro Textile Industry Association, yesterday said: "Under the present circumstances this agreement is more advantageous for Brazil than it would have been had the issue been unilaterally decided by the United States, which could have availed itself of a clause included in the GATT -- General Agreement on Tariffs and Trade -- in order to impose arbitrary restrictions to our sales to the United States."

Arp -- who participated in the Brazilian delegation as a representative of the private sector together with Luis Americo Medeiros, chairman of the Textile Industry National Council -- made this statement late in the afternoon after signing the above agreement.

The text of the agreement will now be submitted to the foreign ministries of the two countries and, after an exchange of notes, will go into force on 1 April 1982.

The Brazilian and U.S. delegates formulated the new agreement on textile exports to the United States after 5 days of negotiations. The Brazilian delegates were at all times cautious, trying to emphasize -- in their contacts with the press -- the positive attitude of the U.S. Government's representatives, who tried to develop the negotiations successfully without hurting the interests of the Brazilian industry.

It was learned, however, that the U.S. delegates maintained a strong position during the negotiations and that they finally succeeded in introducing -- through more restrictive conditions -- the changes they had been seeking from the beginning.

From the very first day, the U.S. delegates had tangible evidence in their hands: The Brazilian industry has never been able to fulfill the quota assigned by former agreements, and in 1981 it was only able to fulfill 42 percent of the overall volume, especially because of the prevailing circumstances.

Taking into account this fact, the U.S. representatives claimed that the new text should "face reality" in order to arrive at an agreement. They stuck to this position during the 5-day negotiations held at the CACEX [Foreign Trade Department] headquarters, and they finally succeeded in including it in the agreement.

Besides including synthetic products in the new agreement, the U.S. delegates also managed to make the Brazilian delegation accept another clause giving the U.S. Government more arbitration power. Under the terms of this clause, Washington is empowered to "call for consultations" in case Brazil is found to be "disrupting the market," which in turn will mean that Brazil will have to reduce the sales rate of a certain product.

OFFICIAL DELEGATION LEAVES FOR WASHINGTON

PA013148 Bogota Emisoras CARACOL Network in Spanish 1215 GMT 1 Mar 82

[Text] Bogota -- A special government delegation will travel to Washington today to discuss the economic and commercial plan announced by the United States for the Caribbean Basin.

Edgar Moncayo Jimenez, director of the Colombian Foreign Trade Institute (INCOMEX) who heads the delegation, said that the delegation will basically make a detailed study of the provisions, scope, and repercussions of Reagan's plan and its possible effects on Colombian foreign trade, and particularly on exports to the Caribbean, Central America and to the United States. Although the plan is basically an improvement of the general system of preferences for the Caribbean countries and tax incentives already established and for new U.S. firms in the region, it is necessary to analyze the effects that this plan will have in Colombia, Moncayo said.

Colombia supports the plan proposed by the U.S. Government as long as it is not harmful to us or other countries. We will meet with U.S. Government officials to tell them our opinion about the proposed plan, Moncayo pointed out. He also stressed that the plan will not be effective until early 1983, after President Reagan's project meets all legal requirements, including congressional approval.

MORE ON TURBAY MEETING WITH VENEZUELA'S HERRERA

PA012223 Bogota Emisoras CARACOL Network in Spanish 1215 GMT 1 Mar 82

[By correspondent Carlos Ruiz]

[Excerpts] Cucuta -- President Turbay Ayala said that he talked with his Venezuelan Colleague Luis Herrera Campins in a positive and satisfactory manner. They discussed matters of common interest and sought solutions to the problems they are confronting.

After meeting with Herrera Campins for nearly 2 hours and later on with Foreign Minister Jose Alberto Zambrano, Turbay Ayala told newsmen that the visit of the two presidents to Cucuta to unveil a statue of Liberator Simon Bolivar was cordial, positive and encouraging. The ceremony was held to commemorate the 169th anniversary of the first battle of the reconquest.

Asked if he and the Venezuelan president had made any progress for the resumption of talks on maritime demarcations. Turbay Ayala said that this was not the main topic of the conversation. We discussed matters related to our being neighboring countries and these talks were held in a satisfactory manner to try to find solutions to many of our present problems, he added.

In their private meeting, the two presidents expressed hopes for seeking Colombian-Venezuelan unity at every level as well as cooperation in the face of the terrorist threat.

Good Relations Stressed

PA012217 Bogota Emisoras CARACOL Network in Spanish 1215 GMT 1 Mar 82

[Text] Cucuta -- Venezuelan President Luis Herrera Campins spoke with newsmen for only 30 seconds during his 5-hour visit to Cucuta yesterday. He commented that the speech delivered by the Colombian president during the ceremony to commemorate the battle of the liberator reflects the hopes for understanding, harmony, and solidarity that Latin American countries have inherited from Simon Bolivar. These hopes should always unite Colombia and Venezuela, concluded Herrera, who refrained from making any further statement to the press.

However, Venezuelan Foreign Minister Jose Alberto Zambrano, while commenting on the lengthy meeting between Turbay Ayala and Herrera Campins, said it had been very cordial and that international matters affecting the countries were analyzed.

As stated in their speeches, the presidents expressed their desire to maintain and increase this cordiality in the relations between both countries, Zambrano said.

He denied that there is tension between the two countries and said the freeze on the border dispute talks is due to elections in Colombia and a preelection period in Venezuela. As a result, Venezuela feels is not the right time to continue discussions.

The Venezuelan foreign minister concluded by saying that his government agrees with President Turbay Ayala who has said that the two countries should form a common front against international terrorism and added that our countries cannot close their eyes to a very complicated reality which exists in the Caribbean where we have an important role in our common future.

Improved Relations Reported

PA262333 Caracas Radio Continente Network in Spanish 2100 GMT 25 Feb 82

[Text] Alfredo Araujo Grau, Colombian ambassador to Venezuela, has said in Bogota that relations between the two countries have greatly improved. He added that the strain from recent border incidents has virtually disappeared. The ambassador said that the situation of Colombians residing in Venezuela is satisfactory and that the process of issuing documents to illegal Colombian workers in Venezuela is proceeding successfully. This is one main reason for the improvement in our compatriots' lot in Venezuela and most particularly in the lot of the humble ones and those working on the Venezuelan plains.

Transportation Plans

PA012316 Bogota Cadena Radial Super in Spanish 1730 GMT 1 Mar 82

[Text] Cucuta -- The transportation cooperation program between Colombia and Venezuela has begun to yield its first results through the links among 14 enterprises of both countries. The program which falls within the Andean group programs includes the construction of new roads that will considerably shorten the distance between Cucuta and Caracas. (Antonio Gomez Plaza), president of the Cucuta Chamber of Commerce, reports on this:

[Begin recording] The Venezuelan transport and communications minister has given us great news. It is that the Andean Pact's Decision 56 on transportation has already been approved by Venezuela. It is now a Venezuelan law. They are now working on the regulations to speed up the paperwork for the transportation enterprises to operate on both sides of the border. The implementation committee and council (?will be in Venezuela). The minister also told us that there are 14 enterprises, 11 Venezuelan and 3 Colombian, interested in this program. He also said that there are 16 requests from both Colombian and Venezuelan enterprises for this transportation exchange. The Venezuelan Government also said that the passenger and cargo route of San Antonio-San Cristobal-La Fria-Maracaibo has been approved. We in Cucuta had the opportunity to ask the Venezuelan Government -- a request that the group [not further identified] agreed to present to the two governments -- for the construction of the 12 km still to be built in (La Chirita), that is from (San Agostino) to La Fria. This would reduce the travel time. With the addition of the Venezuelan route that I just mentioned, 7 to 8 hours would be saved. [end recording]

The Cucuta Chamber of Commerce also asked Venezuelan President Luis Herrera Campins for better treatment of the Colombian illegal aliens in Venezuela.

COUNTRY IMPLEMENTS TREATY ON ISLANDS IN DISPUTE

PA262242 Bogota Emisoras CARACOL Network in Spanish 1215 GMT 26 Feb 82

[Text] Bogota -- Colombia has ratified its sovereignty over the Islands of Roncador, Quitasueno, Serrana and Serranilla by implementing the treaty that it signed with the United States in 1972. These territories have been claimed by Nicaragua's Sandinist Government but it adds San Andres and Providencia Islands to the claim. This treaty was approved by the Colombian Congress in December 1973 while the U.S. Congress ratified it last year despite the insistence of the Sandinist government that it should be rejected.

MINISTER URGES GUERRILLAS TO ACCEPT AMNESTY

PA012206 Bogota Emisoras CARACOL Network in Spanish 1215 GMT 1 Mar 82

[Text] Cucuta -- Defense Minister Gen Luis Carlos Camacho Leyva has said that he trusts that the subversive groups understand that their leaders are not capable of running the Colombian state. Therefore, he hopes that they will lay down their weapons and use other means to replace the country's leaders with new people. An interview with CARACOL Network during a recess at the Colombian-Venezuelan meeting in Cucuta, General Camacho Leyva said that the present leaders of the liberal and conservative parties, as well as those of the private sector are not replaceable and added that he does not see anyone capable of doing so among the leaders of groups such as the 19 April Movement. For example, Toledo Plata, top leader of a deposed [words indistinct] and Rosemberg Pabon are only fit for embassy secretaries, the defense minister said.

Asked what would happen if the guerrillas decide not to accept the amnesty decree, he said nothing would happen, comparing this to a sick person who refused to get medication in time. He also commented on the announcement made by some guerrilla leaders, both at large and under arrest, who have said that they will not accept the amnesty. The minister said this rejection is illogical, since it is those who do not fall under the amnesty who are rejecting it. It is as if I had declined a nomination for pope, a post I could never hold, said Camacho Leyva. He also added that the guerrillas in Colombia are weak, and that they are only presumed to be strong because of the wide coverage that their actions get from the press.

M-19 BURNS BUSES IN BOGOTA TO PROTEST ELECTIONS

PA012247 Bogota Cadena Radial Super in Spanish 1730 GMT 1 Mar 82

[Excerpts] Bogota -- A subversive group today carried out sabotage against urban transportation in Bogota. It burned four buses but there were no casualties. The clandestine group identified itself as being part of the self-styled 19 April Movement, M-19. After telling the occupants of the buses to get out, the subversives set fire to the buses, causing more than 5 million pesos damage. It has been learned that the M-19 wants to create an atmosphere of tension to prevent the normal development of the elections. Witnesses said the buses were sprayed with gasoline and then set on fire. The police are investigating to find the subversives. Last minute information indicates that the police have officially reported the sabotage action against six urben buses in Bogota today. The report indicated that the subversives, apparently of the M-19, used the slogan: Elections for Everyone or for No One.

Witnesses told the police that the M-19 members apparently acted in groups of three to nine people.

EX-PRESIDENT CARLOS ANDRES PEREZ ON REAGAN'S SPEECH

PA270212 Panama City Circuito RPC Television in Spanish 1715 GMT 26 Feb 82

[Interview with former Venezuelan President Carlos Andres Perez on 25 February in Panama -- recorded]

[Text] [Question] What is the purpose of your visit to Panama?

[Answer] Our visit is related with the presence in America of Lionel Jospin, secretary general of the French Socialist Party; and Felipe Gonzalez, secretary general of the Spanish Socialist Workers Party; who were sent by the Socialist International to study the situation that emerged as a result of the suspension of the meeting in Caracas of the Socialist International leaders.

[Question] In general terms, what is the solution that you are proposing?

[Answer] Well, our concern continues regarding the seriousness of the Central American political crisis. Our objective is to cooperate in finding a democratic solution and making sure that Nicaragua's pluralistic project be implemented so it will defeat the campaign and the confusion created around the Sandinist movement. The other objective is achieving negotiations in El Salvador that will lead to a political solution of that terrible civil war that daily causes huge numbers of deaths, massacres and innocent victims.

[Question] You spoke of finding a pluralistic solution in Nicaragua. Is there a divergence between the Socialist International and Nicaragua?

[Answer] There is no divergence. The Socialist International maintains its solidarity with the project of pluralism and a mixed economy that the Nicaraguan Reconstruction Government proposed. This continues to be the position of all the Socialist International members and we are not willing to give up this solidarity because we are aware of the great effect it would cause in Latin America if we left the Sandinist movement in the face of this huge plot that seeks to destroy the Sandinist revolution.

[Question] President Reagan delivered a speech yesterday proposing solutions to the problems of Central America and Latin America in general. What is the Socialist International's view on this?

[Answer] I read President Reagan's speech very carefully and it led me to more questions and greater anguish. An entire range of questions emerge from some economic measures that we could say are acceptable. Some of them are very important and innovative as far as U.S. economic cooperation with a region of Latin America is concerned. However, the Central American situation is in a position or a circumstance in which it would be possible for there to be an armed intervention. Therefore, President Reagan's speech on Central America unfortunately accentuates the polarization that has been created and does not open real paths to find a solution to the problem.

[Question] Does the Socialist International have a position on a negotiated solution to the Salvadoran problem?

[Answer] No, what we want is to put the sides in conflict at the negotiations table because, after all, the Salvadorans are the ones who must find the formula of negotiations. [end recording]

LOPEZ PORTILLO COMMENTS ON ECONOMIC ISSUES

FL012255 Mexico City NOTIMEX in Spanish 2258 GMT 28 Feb 82

[Text] Mexico City, 28 Feb (NOTIMEX) -- Mexican President Jose Lopez Portillo has said in an interview to the Japanese newspaper MAINICHI that the differences in the inflation rates in the United States and Mexico were the basic cause of our foreign exchange difference. The president explained that "our policy of floating the peso was affected by the very sudden withdrawals of dollars from the Central Bank which caused the bank to withdraw temporarily from the foreign exchange market."

In the interview published today in Tokyo by MAINICHI, Lopez Portillo says that the Mexican bank will return to the foreign exchange market when the situation returns to normal and when the market reaches a level which is considered appropriate. Meanwhile, he added, "we are preventing abuses and speculations by controlling prices, which has already been accepted by merchants, several of whom have been fined."

Since 18 February, when the free flotation of the peso was established, the Commerce Secretariat (Ministry) has closed over 500 establishments which violated price controls and undertook speculative practices.

Interview With MAINICHI Paper

FL012330 Mexico City NOTIMEX in Spanish 2320 GMT 28 Feb 82

[Text] Mexico City, 28 Feb (NOTIMEX) -- U.S. President Ronald Reagan's plan for Central America and the Caribbean has positive aspects because it attacks the causes of the problems and not the results, Mexican President Jose Lopez Portillo has said in an interview with the Japanese newspaper MAINICHI. Lopez Portillo told MAINICHI correspondent (Michi Takimoto) and the paper's special envoy (Isago Ogiso) that the problems of Latin America and the Caribbean cannot be solved by the United States supporting the repressive regimes "which frequently appear in our area." He added that these situations could be solved "with the application of measures such as the one which the U.S. President has decided to implement now to stimulate by means of appropriate financing the development of the countries of the area and to establish trade preferences with those countries."

The Mexican president explained that he maintains a close communication with Ronald Reagan "to learn in a direct and mutual manner about our proposals in the area without getting angry in those cases where our decisons might be contradictory." He added that "the forthcoming meeting of the foreign ministers of the United States, Canada, Venezuela and Mexico will be a great opportunity to bring up again Mexico's proposals for solving the problems the area is facing and to discuss the new events with a spirit of wanting to solve the causes of the conflicts."

Regarding the recent South-South meeting in New Delhi, Lopez Portillo said that it was, such as the one in Cancun last October, a center of conscience, proposals and details and a step forward toward the solution of global negotiations within the United Nations. He reiterated that the celebration of another meeting such as the one in Cancun would not make sense "because it was not the idea to make them official since that would turn them into just one more of the many meetings being held in the world."

The Mexican president added that the basic problem of the developing countries is the defensive measures with which the developed countries have protected their economies, which has caused a general recession with serious damage to the developing countries.

President Lopez Portillo said tht one of the objectives of the Cancun meeting was to propose to humanity global solutions "since it has been seen, especially in the Latin American countries, that North-South relations frequently are complicated by the East-West relations in search of alternative solutions which cannot be found by traditonal means."

Regarding the problems in Central America and the Caribbean, he said that "the crux of the matter is to solve the tension between Cuba and the United States. Therefore, our effort, precisely, is to make the dialogue which began in Mexico between General Haig and Cuban Vice President Carlos Rafael Rodriguez become a negotiation." Lopez Portillo concluded by saying: "I still see a possibility of reducing tension in the relations between Cuba and the United States, and we should exhaust all the resources available to us to achieve this."

MORENO SANCHEZ NOMINATED PRESIDENTIAL CANDIDATE

PA011640 Paris AFP in Spanish 2325 GMT 28 Feb 82

[Text] Monterrey, Mexico, 28 Feb (AFP) -- Manuel Moreno Sanchez, a politician who seeks to "rescue the lost democracy," was nominated today as presidential candidate for the recently formed Social Democratic Party. At first, Moreno informed the party's convention that met in Monterrey of his decision to turn down his appointment "for health reasons," but a group visited him at his hotel and convinced him to accept.

"I accept because I am a man who struggles and I shall try to rescue the democracy Mexico has lost," Moreno said. Moreno is the seventh and possibly the last Mexican presidential candidate for the next 4 July general elections.

The other six candidates are: Miguel de la Madrid, government's Institutional Revolutionary Party, PRI; Pablo Emilio Madero, National Action Party (rightist); Arnoldo Martinez Verdugo, United Socialist Party of Mexico (leftist); Rosario Ibarru de Piedra, Movement of the Workers Revolutionary Party (Trotskyite); Ignacio Gonzalez, Mexican Democratic Party (extreme right); and Candido Diaz, Workers Socialist Party (center-left).

PEMEX ANNOUNCES OIL PRICE CUT; OPEC TO MEET

FL261241 Bridgetown CANA in English 1030 GMT 26 Feb 82

[By Colin McSeveny]

[Text] Mexico City, 26 Feb (CANA-REUTER) -- Mexico, hit by a world oil glut and reported to be under pressure from its main buyers, announced last night it was cutting the price of its top quality oil by 2.50 dollars a barrel. The world's fourth largest producer also said it was dropping the price of its heavy crude oil by 1.50 dollars to 25 dollars a barrel. The new prices will take effect on Monday.

In Caracas, Venezuela's energy and mines minister said the Organisation of Petroleum Exporting Countries (OPEC), of which Mexico is not a member, was not planning to hold emergency talks next month on the global fall in prices. While the world's leading producers wondered what to do about the slump in demand caused by recession, conservation and switch to coal, scientists in Britain said they had found a way of extracting 26 barrels of high quality oil from 10 tonnes of household garbage. On a commercial basis, the scientists said, the cost would be about 15 dollars a barrel, less than half the present world market price of crude.

Mexico's state oil concern, PEMEX, said it was lowering the price of its top-quality "Isthmus" crude to 32.50 dollars a barrel and its heavy offshore "mayan" oil to 25 dollars a barrel. PEMEX said the reduction, the second in less than two months, was because of the world oil surplus. But industry sources said an additional factor was pressure from clients, especially in the U.S. and Japan, who were insisting on cheaper oil.

The U.S. and Japan buy more than half of Mexico's oil exports which have been running at about 1.5 million barrels a day. Other major clients include Spain, Britain, Canada and France.

Industry sources also said PEMEX would enrich the 50-50 light-heavy oil mix of its exports, adding more top quality oil to make the ratio 60-40. Mexico's proven reserves total 72 billion barrels and oil sales comprise 75 per cent of its total exports. A summer slump in sales last year obliterated about six billion dollars in projected earnings and badly dented ambitious growth plans.

PEMEX said a number of OPEC countries were selling their light oil well below the official benchmark price of 34 dollars a barrel. "In the last 30 days the glut has generated a speculative crisis which is worsening each day," it added.

Venezuela's energy minister, Humberto Calderon Berti, told parliamentary hearings on the effect of declining revenues on the national budget that OPEC's position in the world market was reaching a critical stage. Production was now down at around 20 million barrels a day, he said, adding: "If the present situation continues for much longer ... it could bring internal problems among members that could affect OPEC unity."

OPEC states were reported to be planning to hold a crisis talks this month. But the Venezuelan minister said they were now preparing for a meeting in the second half of March. Mr Calderon said he had learnt from OPEC colleagues over the last few days that Algeria was now producing 500,000 barrels a day, Kuwait 650,000 barrels, Nigeria 1.3 million, Libya 800,000 and Iran and Iraq one million barrels each.

PRESS INTERVIEWS NEW POLISH AMBASSADOR

FL242250 Mexico City NOTIMEX in Spanish 2045 GMT 24 Feb 82

[Text] Mexico City, 24 Feb (NOTIMEX) -- Poland is suffering from the consequences of what could be called a U.S. intervention using food as an arm of aggression, the new ambassador of the Polish People's Republic, Zdzislaw Szewczyk, said here today. The diplomat was interviewed in the reception hall of the national palace shortly after he presented his credentials to Mexican President Jose Lopez Portillo. He said that his country would overcome the difficult situation shortly, and that in the future it would reconsider its relations and bilateral trade with the neighboring countries and with other Third World countries in order to prevent a similar situation.

Furthermore, the ambassador said that it is expected that the Polish authorities will reach an agreement with the workers and added that the Polish Parliament is working on a law that will regulate the workers and trade union organizations. He added that the Polish United Workers Party Central Committee is meeting to study adequate measures to reestablish political and economic stability in Poland.

Commenting on the visit that Pope John Paul II will make to Poland, the ambassador said that the pope had been invited by the Polish Government which maintains good relations with the Catholic Church and which considers that the prelate's statements have been made as the spokesman of Catholicism. Finally, the diplomat said that there is a great identity in the foreign policy which Mexico and his country are following since the two of them maintain the principles of nonintervention and self-determination of the peoples and are struggling for peacful coexistence, detente and a new international economic order.

ROYO REAFFIRMES FRIENDSHIP WITH CUBA, NICARAGUA

PA011600 Panama City Televisora Nacional in Spanish 1130 GMT 1 Mar 82

[President Aristides Royo's "Los Higos Declaration" at Herrera Province during 27-28 February visit; distributed by the government's General Information and Public Relations Office -- recorded]

[Excerpts] I would like to take this opportunity to refer to domestic and foreign problems.

Regarding the domestic situation, the Panamanian family must be united and today -- more than ever -- must be aware, very much aware, that we must preserve this social peace that we have in Panama, this tranquillity that we are fortunately enjoying, on the basis of dialogue and understanding.

This has some meanings and connotations. Let us never permit classifications among Panamanians as to who our friends are and who are our enemies.

Regarding the foreign situation, let us not permit the imposition of any policy upon us. General Torrijos once said that Panama was an independent and sovereign government and that we would not let anyone make a list for us of our friends and our enemies. Let us not permit anybody from abroad to tell us that Cuba, Nicaragua or Grenada are our enemies, because they simply are not. They are peoples whose types of governments or regimes we may or may not share. The Cuban regime is politically and ideologically very different from the Panamanian regime, but one must respect other countries' regimes.

In Nicaragua's case, we reiterate today that we shall continue giving our support to the Sandinist movement as long as we believe that they are maintaining their mixed economy, their pluralist party project, and a respect for human rights.

We shall continue collaborating and supporting that revolution that we believe is Sandinist, Fonsecaist [Carlos Fonseca Amador, founder of the FSLN] and Nicaraguan. To the extent that the people and government of Nicaragua continue to be our country's friends, we shall continue extending our hand to them as a sisterly people. [end recording]

ILLUECA CRITICIZED FOR ADVOCATING USSR TIES

PA010431 Panama City LA PRENSA in Spanish 26 Feb 82 p 1A

["As of Today" column]

[Text] Foreign Minister Jorge Illueca's statements made locally and abroad on the establishment of diplomatic relations with the USSR have provoked criticism and disapproval from various sectors of the community. To the foreign minister's enthusiasm for closer relations with the metropolis of the communist world, the Panamanian public has responded with lots of demolishing reasons against it, which so far the director of the Panamanian foreign policy has not been able to refute.

Since all personal or public behavior must have a certain cause, it is natural for the common citizen to ask what is behind all this, and why is there this interest in associating ourselves with the Soviet totalitarian regime, whose imperialist policy is currently offering the world a tragic example of a merciless intervention in Afghanistan and not to mention the oppression in the heroic Poland.

Knowing the sad spectacle of the alleged candidacy of the foreign minister to the UN General Secretariat and of his aspiration to the presidency of the next UN General Assembly, the people have reached the conclusion that there is a game going on with the nation's sacred interests in favor of what are solely personal aspirations.

Very dear, to say the least, it would be for Panama and all the Panamanians to have the vote of the USSR at the United Nations in favor of an hypothetical candidacy of Foreign Minister Illueca, in exchange for introducing in our national scene, the major enemy of democracy in the Western world.

SOCIALIST INTERNATIONAL MEMBERS HOLD MEETING

PA262243 Panama City ACAN in Spanish 0236 GMT 26 Feb 82

[Text] Panama City, 25 Feb (ACAN-EFE) -- Several Latin American and European Socialist International leaders, who met today in Panama to draft a report on Central America, left tonight for Caracas.

Participants at the meeting included Felipe Gonzalez, secretary general of the Spanish Socialist Workers Party and Socialist International vice president; Socialist International Secretary General Bernt Carlsson; Lionel Jospin, first secretary of the French Socialist Party; and Klauss Lindenberger, Socialist International President Willy Brandt's adviser.

The Latin American Socialist International leaders included Carlos Andres Perez, former Venezuelan president and leader of the social democratic party Democratic Action, AD; Daniel Oduber, former Costa Rican president and member of the social democratic National Liberation Party; Enrique Tejera, who is in charge of AD's foreign relations; Guillermo Ungo, president of El Salvador's Revolutionary Democratic Front; and several leaders of Panama's democratic revolutionary party currently in power. The socialists in particular studied the Salvadoran situation, for which they propose a negotiated solution.

With regard to Nicaragua, the Socialist International continues to support the Sandinist regime so long as it respects the original principles of the revolution that overthrew Somoza -- political pluralism, mixed economy, a system of public freedoms, democratic elections and nonalignment with the international hegemonic blocs.

If the original principles of the revolution are not respected and the Sandinists evolve toward totalitarian systems, the Socialist International will respect their decision but will not support, one of the leaders meeting in Panama said. The differences between the European and Latin American Socialist International members, which led to the suspension of a meeting slated for Caracas, because neigher Costa Ricans nor Venezuelans accepted the presence of the Sandinists whom they claim have evolved toward Marxism-Leninism, have apparently been overcome.

Group Goes to Caracas

PA270158 Panama City LA ESTRELLA DE PANAMA in Spanish 26 Feb 82 pp A-1, B-15

[Text] Felipe Gonzalez, Lionel Jospin and Carlos Andres Perez returned to Caracas yesterday after having met in Panama City to study the suspension of the Socialist International meeting that should have taken place in the capital of Venezuela. The three left from the Omar Torrijos International Airport at 2030 yesterday. During their stay in the Panamanian capital, they met with Lt Col Manuel A. Noriega, chief of state security, with President Aristides Royo and with officials closely linked to the government of General Torrijos.

Speaking to the news media in the diplomatic room of the Panamanian airport, former Venezuelan President Carlos Andres Perez denied that there has been a break with the Sandinist government, but emphasized that the position of the Socialist International is "to maintain its solidarity with the pluralist process and with the mixed economy plans drafted by the Junta of Reconstruction of Nicaragua."

He noted: "We realize the sadness that would arise in Latin America if the Sandinist movement is left forsaken in the midst of this big plot aimed at destroying the Nicaraguan revolution."

Regarding violence in El Salvador, Perez said that the position of the Socialist International is that there should be negotiations to put a political end to that civil war.

In turn, Felipe Gonzalez admitted that some of the leaders of the Socialist International have been concerned over some situations that have come up in Nicaragua, but he noted that "at no moment have we thought about placing Nicaragua on the defendant's block, because we think this would be a very unjust thing to do by anyone with progressive, democratic and pluralistic sentiments."

Gonzalez added: "We want that political process to be one of freedom and pluralism. If accusations must be made, they must be made against those stubbornly trying to keep the process from advancing. They are determined to demonstrate that there is no other road than that of radicalization toward positions that the Sandinist have not accepted as party positions."

Regarding Marxism in Nicaragua, Gonzalez said: "I think that when we talk about Marxist positions, we must establish first if this is the position that they publicly advocate. Second, regardless of the way a person may characterize himself, what matters is the political reality, political practices. For example, the question is whether or not a pluralist system gains ground, if liberties gain ground, and if the economic system that characterizes all democratic systems is consolidated and gains ground."

"I believe," he added, "that based on the true situation we must maintain our hope in the original process. We have the obligation to be frank in our talks with our Nicaraguan friends so that there is no confusion. We are supporting a very specific process. If the process is not the process as we know it, we will remain respectful but, eventually, we could not support it." Regarding possible differences among the members of the Socialist International, Gonzalez said that the positions on principles "are still the same. The positions based on principles are very clear."

COLUMN RAPS HANDLING OF CANAL HOUSING RETURNS

PA011720 Panama City MATUTINO in Spanish 1 Mar 82 p 1

[From "Moyolandia" column: "Monday's Notes"]

[Text] There is a big surprise in store for those viewing Reagan's plan as the solution to the Caribbean countries' problems. The truly positive aspect is the 12-year lifting of tariffs, but that is a two-edged sword. We will discuss this thoroughly on some other occasion. Others who will be surprised are the 540 people who completed applications for the 88 housing units in the Curundu area, which the Americans were supposedly going to return ahead of time. No dice. They won't be returning anything.

The same thing can happen with the Coco Solo houses. Under the treaties, the Americans do not have any obligation to return those houses ahead of time. Nonetheless, they have been unjustly criticized for trying to do so. Therefore, the negotiations have justifiably reached a standstill. Nobody who is trying to help and cooperate by returning houses ahead of time likes to be insulted for his effort. Those who have attacked them without having any real knowledge of the subject have managed only to delay the return and to affect the Panamanians awaiting these houses.

COSTA RICA

MONGE HOLDS NEWS CONFERENCE TO ANNOUNCE CABINET

PA261950 San Jose Radio Reloj in Spanish 1658 GMT 26 Feb 82

[Speech by Costa Rican President-elect Luis Alberto Monge at a news conference held at the Ambassador Hotel in San Jose to announce his cabinet -- live]

[Excerpts] I can't hide that I have been [word indistinct] for many days and hours. The decision to choose the cabinet and my immediate collaborators for a future government was an almost agonizing decision. I don't know if this has been the case for other Costa Rican presidents-elect, but I feel I must tell the people that to me it has been a very (?agonizing) process. I had to choose from among many citizens who are highly regarded and have great backgrounds.

It wasn't possible for me to decide on certain appointments yet. They will be made in the next few days and will be announced to the media in due time so that the people can learn about these decisions through it. The appointments of the ministers of health, public security and culture, youth and sports will be made at a future date.

I will now announce to you, with great satisfaction, the names of those whom I have chosen to accompany me in the cabinet. The deputy ministers will be announced at a later date, as soon as I agree on them with the ministers involved. The presidential advisers will be announced later. The presidents of banking institutions and autonomous agencies will also be announced at a later date.

However, everything will be announced and decided before 15 March, because as I have repeatedly stated, we need to work, study plans, draft projects and so forth immediately. Therefore, on this occasion my party and I personally don't want to leave these decisions until the last minute.

I don't know if I should read the ministers' curricula and all their [word indistinct]. I will only announce their names and will distribute their curricula among you. Some of them have held so many important positions that it would take a long time to read all of that:

For the Foreign Ministry, at a time when it will be very important for our foreign policy, I have appointed Fernando Volio Jimenez, a very distinguished citizen. [applause]

For the Government Ministry, which I intend to change into the Interior Ministry with a new structure, I have chosen Alfonso Carlos Zuniga. [applause]

For the Presidency Ministry, I have chosen Fernando Berrocal Soto. [applause]

For the Education Ministry, I have selected Eugenio Rodriguez. [applause]

For the Agriculture and Livestock Ministry, I have chosen Francisco Morales Hernandez. [applause]

The person I chose for the Public Works and Transportation Ministry is not here because he is on a special mission abroad but I will mention his name anyway: Rolando Araya Monge. [applause]

For the Finance Ministry, I chose Federico Vargas Peralta. [applause]

For the Economy and Commerce Ministry, I have selected Marco Antonio Lopez Aguero. [applause]

For the Ministry of Industry, Energy and Mines, which will be the name that we will give to this ministry, I have chosen Calixto Chavez Zamora. [applause]

For the Planning Ministry, I have chosen: Claudio Antonio Volio Guardia. [applause]

For the Labor and Social Security Ministry, I have chosen Guillermo Sandoval. [applause]

For the Justice Ministry, I have chosen Carlos Jose Gutierrez Gutierrez. [applause]

MONGE ISSUES COMMUNIQUE ON REAGAN SPEECH

PA251543 San Jose Radio Reloj in Spanish 0100 GMT 26 Feb 82

[Communique by Costa Rican President-elect Luis Alberto Monge on President Reagan's economic plan for the Caribbean Basin, issued on in San Jose on 25 February; read by (Jorge Urbina) of Monge's press office -- live or recorded]

[Text] I received a letter dated 24 February 1982 from President Ronald Reagan outlining the main topics of his speech at the OAS in Washington. I also listened to the broadcast of his speech and read the text of this letter very carefully today. I thank the President of the United States for his firm interest to participate, as a great democratic ally, in the promotion of freedom and economic development for Central America and the Caribbean. His speech was a clear demonstration of this important decision.

I feel that his economic proposal is very important. The chance to come to an agreement for the free access of our exports to the large U.S. market within a period of 11 years [number as heard] is vital for the recovery of our battered economy. I am sure that the Costa Rican private sector will appreciate the full extent of this very important initiative. I am also sure that the private sector will appreciate the creation of a special fund for financial assistance during times of emergency. These two initiatives represent substantial and effective support for the Central American and Caribbean countries.

Regarding Costa Rica, I sent a personal letter to President Reagan a few days ago. The contents of this letter will be disclosed to the public in due time. In this letter, I asked him for the U.S. Government's understanding and support for the negotiations that we will undertake in May with the IMF, the World Bank, the foreign banks and the governments to whom we owe money.

Such support would be of great help and would facilitate these complex and difficult negotiations. I also told President Reagan that one of my aspirations is the creation of a group of friendly nations to Costa Rica, with a high-level commission made up of representatives of presidents of democratic countries in order to help us face the serious economic crisis we are experiencing. Both proposals, which specifically refer to our country's situation, are in line with the general overview expressed by the U.S. President at the OAS and his announced firm determination to help Costa Rica. I am very pleased by this because this will be a project of great solidarity and trust in the fate of democracy as a system of life and social organization in the new world. President Ronald Reagan is effectively contributing to this purpose.

CARAZO COMMENTS FAVORABLY ON REAGAN AID PLAN

PA270041 San Jose Radio Reloj in Spanish 1730 GMT 26 Feb 82

[Text] Costa Rican President Rodrigo Carazo has referred to the aid plan for the countries of the region which was announced by U.S. President Ronald Reagan.

[Begin Carazo recording in progress] ...all the Caribbean Basin. It contains essential points on which we have insisted for a long time. The economic aid that the President mentioned is very small in proportion to the 15, 20 or more countries that will be included in the plan. However, there is something essential; the opening of the markets and the elimination of the tariff barriers and quotas which are the cause of the problems being experienced by the countries of this region and many others.

The opening of the market undoubtedly gives a different outlook to national production. That is why we feel very satisfied. President Reagan has made two proposals. He said he will ask Congress to open the market for 12 years and he said he will submit to Congress a number of incentives for U.S. investments in the Caribbean Basin countries. There are many other important things in his speech but these are the essential points because they are significant for the development of our nations. It is the same approach as Mexico and Venezuela have already used with the aid they have been giving us through the petroleum agreement that was signed in August 1980. It is the same line that was maintained in the meeting that we held here in September 1981 on the occasion of the Bahamas meeting. As President Reagan very well said in his speech, it is the same idea that has emerged from the discussions with all these countries. We have been insisting on this idea. I would say that each country now has to assume the advantageous position of moving faster. If President Reagan's idea is approved by the legislators in the U.S. House of Representatives and the Senate, it is logical that the countries which are prepared will be able to advance. In that sense, I think we have advanced much more than other countries. It is not a matter of sitting idly by. We have to continue working to further promote development. [end recording]

EL SALVADOR

ARMED FORCES WILL GUARANTEE ELECTORAL PROCESS

PA27021C San Salvador DIARIO LATINO in Spanish 24 Feb 82 p 13

[Paid advertisement by the Salvadoran Armed Forces entitled: "Armed Forces Bulletin"]

[Text] Since 15 October 1979, the date of the armed forces proclamation, the attitude and mission of the armed forces has been maintained within legal and institutional channels and according to the social function it must fulfill as the armed forces has conducted itself according to clearly established objectives, not participating in political sectarianism and forging a solid image of impartiality. Our forces have been placed at the service of the people during all this time. We have struggled and will continue to do so against those who are cruelly and ruthlessly attacking the people in order to place the nation under a totalitarian regime, no matter what type.

Many of our companeros have fallen in this struggle, but there remain thousands of companeros determined to continue fighting, trusting in our ability and resources, and above all, confident in the people's invariable and full support. This has encouraged us to keep on going with all our might. For this reason I wish to remind the members of the armed forces and also the Salvadoran people, that our obligation is to the fatherland and to the people. Under no circumstance are we going to make alliances or support any of the legally registered political parties, such as: the National Conciliation Party, PCN; the Christian Democratic Party, PDC; the Salvadoran Popular Party, PPS; the Popular Orientation Party, POP; Democratic Action, AD; the Renewal Action Party, PAR; and the Nationalist Republican Alliance, ARENA; or with any other ideological active group, because we have a single mission; to serve the Salvadoran people.

It is our obligation to support the political process that will allow the people, through free elections, the right to elect their representatives, a decision we are going to respect whatever is the result.

As of today, as they have been since 15 October 1979, our forces are at the service of the people to create the conditions of tranquillity and security that will allow the Salvadorans the opportunity to decide deep within their conscience and in the tranquillity of the street, which candidate they think can best represent their interests.

To the Salvadoran people and to the world, we reiterate our historic commitment contained in the October proclamation. We also demand all members of the armed forces to abstain from participating in any political activity, or any action that could in any way suggest that the armed forces are partial to any particular party. Let us put all our efforts into the electoral process, using the resources we have at hand to bring the peace that the Salvadoran people long for.

All for the fatherland. Together the people and the armed forces. God, union and freedom. [Signed] Gen Jose Guillermo Garcia, defense and public security minister.

ARMY REPORTS ON OPERATIONS IN GUAZAPA AREA

PA270010 San Salvador EL DIARIO DE HOY in Spanish 26 Feb 82 pp 5, 13

[Excerpts] Army Troops have surrounded the command center of the subversive groups in the center of Guazapa. This was reported to newsmen yesterday during a press conference on the summit of that mountain that is controlled by the army.

The FMLN Directorate is on Palo Grande hill, northeast of the summit; and around it are camps of the other groups; RN [National Resistance], FPL [People's Liberation Forces], ERP [People's Revclutionary Army], PRTC [Revolutionary Party of Central American Workers], and FALN [not further identified]. The operations being carried out since early this week are aimed at destroying those sites, it was said.

The terrorist operations that are carried out in the country's central and paracentral areas are planned in Palo Galan. However, another officer said that orders for the whole country come from there. Furthermore, it was said that the subversive commanders arrive there to receive orders and retrain, and to rest before returning to their areas of fighting.

The army has held positions on Guazapa summit since last year, when the soldiers dislodged the rebels. There are two small helicopter-landing fields at the El Roblar camps. The soldiers there said they believe that the subversives are surrounding them, planning to retake the site because it overlooks the entire valley, other hills and the slopes of Guazapa.

At approximately 1300, Defense Minister Gen Jose Guillermo Garcia, Defense Under Secretary Col Francisco Adolfo Castillo, acting Chief of Staff Col Adolfo Blandon, San Carlos Garrison Commander Col Edmundo Palacios and other officers held a press conference on Guazapa summit to explain the positions that have been seized, the objectives and scope of the operation and other matters.

Los Ganchoes was seized by troops early on the morning of 24 February but the subversives had already fled and only an elderly man was found there. He said that he was there under pressure, but he had a cartridge clip. This man said that there are several wounded among the guerrillas who are being carried by their companeros.

As for casualties, it was reported that up to 2000 on 24 February, the enemy has sustained 15 dead; 3 soldiers have been killed and 12 wounded. Five camps have so far been discovered in the Palo Grande, La Presa and El Salitre cantons.

There are indications that three foreigners instruct the subversives and that six doctors are with them. The nationality of the doctors is unknown. There is a small improvised hospital between La Presa and El Robe where rebels from other sectors go for treatment.

More on Operations

PA271541 Paris AFP in Spanish 0021 GMT 26 Feb 82

[Text] San Salvador, 25 Feb (AFP) -- Today Salvadoran Defense Minister Jose Guillermo Garcia visited the battlefront in the area of Guazapa mountain, 35 km north of San Salvador, where the army is carrying out a "large operation" to dislodge and annihilate what has been described as the "nerve center" of the Salvadoran guerrillas.

For the first time, the authorities have accepted the idea that the Guazapa mountain "has been occupied by the FMLN for the past year." This has led to action by the armed forces, which are currently trying to push the rebels toward the Xuchitlan Lake. Military officers reported that "so far, 6 very well established guerrilla camps have been destroyed" and that "it is estimated that 24 rebels and 3 soldiers were killed in the first 12 hours of fighting."

At least 2,000 army troops, along with members of the security forces, have surrounded a large part of Guazapa mountain and the Atlacatl Battalion has been transported there by air. The Atlacatl Battalion is a group of soldiers trained by U.S. military personnel to fight the guerrillas. It was reported that "in each of the dismantled camps, a landing field has been prepared for the helicopters that are participating in the operation."

Speaking from one of the points recivered by the army, General Garcia said that it was a source of "great satisfaction" to be on the site, "accompanying our soldiers who sacrifice for the Salvadoran people." Some 2 km from this location one could hear the noise of the 105-mm cannons and machineguns being used in this operation, which "has not ceased either by night or day."

The commander of the operation disclosed that the greatest resistance occurred in the place known as Pena Colorada. He said that other camps were found near San Jose Guayabal, El Salitre, Ichanquezo, El Zapote and Las Mulas. One of the most intense battles today was being waged in the places known as Palo Grande and La Presa where, according to an officer, the "strategic heart of the terrorists" is located.

Reporting on the operation, the officer said that "a siege has been established from the northwest side of the place and pressuring attacks will be carried out," although he did not indicate how long the "annihiliation of this rebel center" will take.

He reported that guerrilla casualties included "a black woman with thick lips," whose features "are not Salvadoran," wearing olive drab; it is presumed that she was "some mercenary." A wounded woman was captured and she was taken to the nearest hospital and will later be presented to the press. General Garcia said that he had ordered fresh troops to relieve those who have cleaned up of a large part of the area.

Guerrilla Casualties

PA012320 San Salvador LA PRENSA GRAFICA in Spanish 1 Mar 82 pp 3, 55

[Excerpt] Defense Minister Gen Jose Guillermo Garcia said on Saturday that more than 76 terrorists have been killed in the past 5 days during the military operations on Guazapa mountain. He also said that five soldiers unfortunately have been killed and 15 have been wounded.

He condemned misinformation, stating that a U.S. news agency had issued false reports about the number of casualties sustained by the armed forces. "That correspondent," Garcia said, "is irresponsible and poisonous because he does not stop to think about the harm he is causing the Salvadoran people and the news agency that pays him to work with honesty, responsibility and seriousness."

The counterinsurgency actions continue on Guazapa and according to General Garcia, they will continue until that region has been completely cleaned up.

Fighting in 8th Day

PA020229 Paris AFP in Spanish 0055 GMT 2 Mar 82

[Text] San Salvador, 1 Mar (AFP) -- Defense Minister Gen Jose Guillermo Garcia said here today that between 2,000 to 3,000 Salvadoran soldiers have been fighting in Guazapa (30 km north of the capital) for a week. The FMLN has about 400 to 600 men in the area, according to statements made by General Garcia to a group of newsmen, during the first anniversary of the Atlacatl Battalion, the Salvadoran Army's rapid deployment force.

The minister said that the preliminary figures on the cleanup operation launched by the army 8 days ago are 122 guerrillas killed, and 9 soldiers killed and 23 wounded. The minister reported that "very good" tunnels dug by the FMLN forced the army to use bombs "up to 500 lbs." He also said that "a recoilless rifle, which might be 57 mm" was captured. He stressed the difficulty in advancing because "the FMLN mined the area."

Garcia said, "We are acting in complete freedom, because there are no civilians in the area." He said that in other areas, "even those who are not armed are helping the subversives to a greater or lesser degree."

Col Adolfo Blandon, acting chief of staff, confirmed that 18 companies have been deployed in Guazapa, including some units of the Atlacatl Battalion. Foreign newsmen, who could not enter the battle area, reported that several fires had been started near Guazapa.

Finally, Col Jose Domingo Monterrosa, commander of the Atlacatl Battalion said that "many" wounded soldiers are being cared for at the San Niafor military hospital. All the wounded came from the battlefront.

EXTREMISTS REPULSED BY ARMY IN SAN VICENTE

PA280250 San Salvador EL MUNDO in Spanish 26 Feb 82 p 1

[Excerpt] Units of the Army 5th Infantry Brigade, headquartered in San Vicente, and the security corps were engaged since 0600 today in a fierce clash with a large group of extremists who had launched an attack on San Vicente. According to army sources, some armed extremists were entrenched in the San Vicente cemetery to repel the army's efforts to break through the encirclement that the extremists established around Ana Guerra de Jesus neighborhood. A fierce clash was still going on at 1000 between the two groups.

Further reports indicated that a group of extremists had occupied the suburbs near the Rivera housing development, which is next to Ana Guerra de Jesus neighborhood. Military sources also admitted that the extremists had launched an attack on the military post in Paz Opico Hacienda, near Puente Negro, in San Rafael, San Diego Canton. Near that area, four trucks that were used for transporting sugarcane were burned and the drivers killed. This took place on the road to Tecoluca. The same sources added that at the military post in Paz Opico Hacienda, seven soldiers were killed and others were evacuated to Santa Gertrudis Hospital. There was another report of an extremist attack against San Antonio Caminos.

The Army 5th Infantry Brigade command reported that fighting was still going on in the north and east sides in the suburbs of San Vicente and that it was using mortar fire to repel the extremists.

According to reports, seven soldiers were killed, including Jose Guillermo Lopez Monterrosa, the brigade's transportation chief, who was driving an armored car along 9th East Street. An officier who was with Lopez at the time of the incident was wounded.

Sgt 1st Class Jose Israel Hernandez Barahona was killed and privates Fermin Alfaro Portillo and Andres Asencio Duran were wounded by a group of extremists who had occupied km 70 of the highway to Tecoluca, near El Cumbo hill since 0200 today. A National Guard patrol rescued several wounded soldiers at the same place.

The military sources confirmed that fighting was still going on along the Acahupa River and in the north and east sides of San Vicente.

ARMY REPORTS ON 7-HOUR BATTLE IN SAN AGUSTIN

PA020214 Panama City ACAN in Spanish 0021 GMT 2 Mar 82

[Text] San Salvador, 1 Mar (ACAN-EFE) -- Military sources have told ACAN-EFE that at least eight people, including members of the civil defense and guerrillas, died today during an armed clash that lasted 7 hours in San Agustin, 98 km east of San Salvador. They added that antigovernment groups arrived in the town early this morning and immediately attacked the lookout posts and set fire to the building of the National Telecommunications Administration (ANTEL).

According to the military sources, when the army learned of what was occurring in San Agustin, troops were deployed to counteract the subversive attacks, thus leading to a clash that lasted 7 hours. The military sources said that the bodies of three civil defense members and two guerrillas were found in the site of the clash while three other dead guerrillas were carried away by the rebels.

They added that the town is under control of the Salvadoran Armed Forces. San Agustin, a town of 21,042 people, is in Usulutan Department in eastern El Salvador.

NBC Newsmen Wounded

PA012344 Panama City ACAN in Spanish 2254 GMT 1 Mar 82

[Text] San Salvador, 1 Mar (ACAN-EFE) -- Two Foreign newsmen and a Salvadoran driver were wounded today from the explosion of a Claymore mine near San Marcos Lempa in Usulutan Department, the victims reported. The wounded newsmen are Allen Stecker and Douglas Davenport who work for the U.S. NBC network and Salvadoran driver Adan Garcia.

Stecker and Davenport, who were wounded on the arms and shoulders, added that they were going to cover some armed clashes that occurred in San Agustin, 98 km west of San Salvador. According to the newsmen, the mine was probably buried in the ground and exploded when the vehicle in which they were traveling passed through the place known as "14 de Julio" District near Usulutan. Both the NBC newsmen and the Salvadoran driver are out of danger.

DUARTE AUTHORIZES COASTAL PATROL BY U.S. SHIP

PA280444 San Salvador EL DIARIO DE HOY in Spanish 27 Feb 82 pp 3, 40

[Excerpts] Jose Napoleon Duarte, president of the Salvadoran junta, said at a news conference yesterday afternoon that a U.S. ship patrolling the Salvadoran coast has the authorization of the Salvadoran Armed Forces to intercept any attempt to smuggle arms into El Salvador.

A newsman asked President Duarte if the presence of the U.S. ship could cause problems with Honduras or Nicaragua. Duarte answered: "The problem would be between the United States and either of those two countries, but not with El Salvador, because it has the authorization of the Salvadoran Armed Forces." In relations to the burning of buses in this capital, President Duarte indicated that the armed forces have been trying, from the time it first happened, to give them the protection they need. He said that new buses will be obtained to replace the ones that the terrorists have destroyed.

With regard to the peace proposal suggested by Mexican President Jose Lopez Portillo, Duarte said: "It is a utopian position." What Lopez Portillo has proposed in no way affects Mexico and instead, it is of an interventionist nature. Duarte said that the best way to help the Salvadorans is to stop the support and aid that the communist countries are giving the Salvadoran extremists. It would help the situation and make things easier.

Further on, Duarte added that as long as he is president of the junta, no foreign troops will fight in our country. This he said to squelch rumors that peace forces would be coming to our country. He reiterated what Defense Minister Gen Jose Guillermo Garcia has also said, that Argentina has not sent any soldiers to El Salvador. We are receiving economic aid instead from the Argentine Government, Duarte indicated.

Duarte said that the Salvadoran Government does not negotiate with submachineguns in hand. It is going to hold an election on 28 March in which the people will have the opportunity to choose and vote for the party of their sympathy. Regarding the blockade to stop the supply of arms from Cuba, Nicaragua, Libya and Vietnam, Duarte said that it was up to the democratic countries to do something about it, because everyone knows that El Salvador does not have the means to prevent it.

Duarte also referred to the tour that the junta's members are carrying out to various departments. The purpose of these tours, he said, is to ask the people to go to the polls on 28 March. "We are not publicly supporting any party," Duarte asserted. When asked how many countries will send observers, Duarte said that the Foreign Ministry could give the exact number. He added, however, the countries that signed the Saint Lucia document (OAS conference) have confirmed their presence. Some have already appointed their observers. We are also expecting observers from Europe. More than 60 countries and 100 personalities have been invited, Duarte indicated.

He also referred to the facilities that have been given to the political parties that are going to participate in the electoral process. It was necessary to make some amendments to the provisional electoral law, he said. He also said that the meeting that the Central American presidents were going to have in San Jose, Costa Rica had to be cancelled at the last minute. Duarte said he was ready to leave this morning when the meeting was cancelled. Everything seems to indicate that the fact that Panamanian President Aristides Royo was not going to be present contributed to the suspension of the meeting which could be held sometime in mid-March.

PRESIDENT DUARTE GIVES SPEECH AT CABINET MEETING

PA250200 San Salvador LA PRENSA GRAFICA in Spanish 17 Feb 82 p 37

[Speech by Salvadoran Junta President Jose Napoleon Duarte to the Salvadoran people at opening of cabinet meeting on 15 February 1982]

[Excerpts] Members of the cabinet, state secretaries, presidents of autonomous agencies, presidents of economic and financial agencies, president of the court of accounts of the republic: We have called you to a meeting today to discuss important topics related to the economic effects of Decree 544, other decrees and the fundamental aspects of the process during the coming months so you may have the most available information at hand and cooperate in achieving a democratic solution in our country.

I am going to take the liberty of reading a document which deals with the government's political policy in order to enable you, and most particularly the cabinet ministers, to contribute to the government's overall efforts in your particular field of endeavor. However, the idea is to brief the people on the work that has been done in these past 2 years toward achievement of the objective of establishing the peace to which all of us aspire.

The document, which has been drafted with this goal in mind, will serve as a basis for this work. Allow me to read it to you. It says the following:

"I address you as Salvadorans at a time when some sectors are trying to sow uncertaintly and distrust, thereby helping -- out of malice or nonformity -- to undermine the country's position while it is contending with the onslaught of the extreme leftwing, which has launched an offensive against our fatherland in order to further spread terror and to discredit the electoral process internationally.

"Obviously, an election campaign must include debate; a confrontation of ideas, the submission of proposals and programs, a judgment of the past and present actions of parties and their most outstanding leaders, and a discussion of the most controversial issues and government actions. All of this is normal in an election campaign. However, we must not lose sight of the fact that, under present circumstances, there is not only competition among the various parties -- which agree with finding a democratic solution through votes even though they have fundamental ideological and political differences -- but we are also facing an armed conflict with forces that reject the very possibility of a peaceful settlement and have stepped up their terrorist activities with an increasing number of foreign mercenaries. All of this has been combined with an intensive propaganda campaign abroad to intimidate our citizens regarding their participation in the elections and to show those who are attentively watching events in our country that conditions are not ripe to hold elections -- even though we can already perceive that the people intend to participate in them, because the elections of 28 March are supported by the majority of the population and seven political parties of varying tendencies are participating in them.

"One of the issues that has lately been most intensively exploited is that of "misgovernment." This is obviously aimed at making the public overlook the exceptionally abnormal circumstances the country has endured during the past 2 years, diverting their attention from the true culprits and placing all responsibility on the current administration. [quote marks as published]

I find that it is necessary to refer to these issues because we have enjoyed broad popular support and the exemplary understanding of the country's majority even though our term has been fraught with difficulties. This involves a moral obligation on our part to reaffirm to the people that our main concern has been to serve the country's majority interests and that our actions have been right, effective and in line with the demands posed by such a complex and difficult situation.

In this connection, it is absolutely necessary to define the basic characteristics of what has until today been a "crisis government," which has had to take stern action to the numberous challenges facing it. Each such challenge by itself, has been serious enough to put the capacity and efficiency of the government to the test, to threaten its very stability.

We will summarize the essential points. It must be noted that this government came into being at a time when the country's political system was crumbling, during a serious economic crisis and a progressive increase in violence. All of this has gravely affected the institutional foundation of the state and the people. It is under these conditions that we have had to face violence. Initiate a process of reforms, impede economic deterioration as much as possible and resist international and local attacks from leftist and rightist sectior that are doggedly trying to reach their objectives at any cost.

I am sure that once the efficient work conducted -- despite the adverse circumstances we have faced -- is known, the Salvadoran people will agree that, beyond the climate of violence, terror and destruction, these past 2 years have been among our nation's most dynamic. Those who may refuse to accept the facts do so because they have lost contact with reality and are moving increasingly away from the majority, who represent the future of our fatherland. This majority supports the present regime's initiatives and is stoically facing the difficulties of a phase full of suffering, which we are now enduring.

If we realize that our work has been done in the face of the destructive fury of terrorist groups, the effectiveness of this administration will be better understood, for we have promoted undeniably deep structural reforms while being forced to make extraordinary efforts to maintain normal services in transport, electricity, telephone and water. All of these services are the preferred target of those who, blind in their decision to seize our fatherland, do not hesitate to destroy bridges, roads, powerplants, high tension towers, light poles, telephone exchanges, buses and so forth, in trying to undermine the people's morale.

Fortunately, most Salvadorans, instead of being scared by the terrorist groups' merciless actions, have developed a spirit of resistance that represents the best bulwark against totalitarian threats and demonstrates that the Salvadoran people trust their government and support its actions.

We again call on all of our fellow countrymen, without discrimination, to unite in facing the threat from abroad and to participate in the election process, which is the only peaceful and democratic solution. We call on those who think that they will reached their objectives by weakening the government's position with tendentious campaigns, which have either useless or harmful effects on our country, to recognize the possibility of reaching the same objectives by participating democratically in the elections of 28 March.

Members of the cabinet: I wanted to deliver this message to ask you to get in touch with the people and to explain to them what you have been doing. This is very important.

We must be perfectly aware of the fact that there will be two important elections on 28 March. The first is of the greatest importance. It is then that the people, with their presence and their votes, will decide their own future, will decide whether they want democracy or totalitarianism. All of us must participate in that election. We have to make the people vote. It does not matter for which party they vote; what is important is that they go to the polls and vote. This is the effort all of us have to make and I ask you and all Salvadorans to help, so that there won't be a single Salvadoran who does not vote. This is the great decision, the first election that we will have on 28 March.

The other step is the mechanism to determine which party wins -- the selection of the assembly. This second election is also important. But if we have the first one, then we will have taken the most important step for this country. Let's then, take our message to the Salvadoran people. We in the junta will travel throughout the country with this message, telling the people that they must vote, that votes build the fatherland, that votes win for democracy, the votes help find the road to the peace we all want.

ARENA'S MAJOR D'AUBUISSON CONGRATULATES REAGAN

PA282119 San Salvador EL DIARIO DE HOY in Spanish 27 Feb 82 p 25

[Paid advertisement by the Nationalist Republican Alliance Party]

[Text] Your Excellency, Mr Ronald Reagan, President of the United States of America, the White House, Washington, D.C.

As an American, as a free man and as a man who respects the rights of others, it is a pleasure to express to you my most sincere congratulations for the just, humane and American contents of your speech delivered at the OAS on 24 February.

I firmly believe, and I am sure I am not wrong, that with this type of attitude, your country and you as a person are on the path of recovering the leadership due to that great nation, not just to the peoples of the Americas, but to the whole world. For you my sincere admiration and deep respect. [Signed] Maj Roberto d'Aubuisson, Nationalist Republican Alliance, ARENA, Saturday, 27 February 1982

PORTUGUESE PARTY TO SEND OBSERVERS TO ELECTIONS

PA272120 Madrid EFE in Spanish 1528 GMT 27 Feb 82

[Text] Lisbon, 27 Feb (EFE) -- The Social Democratic Center, CDS, Christian democratically inclined and the second largest in the Portuguese governmental "Democratic Alliance" coalition, will attend the 28 March general elections of El Salvador as an observer, it was announced here today.

According to a spokesman of the party headed by Diego Freitas do Amaral, president of the European Union of Christian Democracies, UEDC, that election begins to examine the true wishes of the people of El Salvador and marks the beginning of a process of domestic peace and consolidation of democracy.

Meanwhile, Portuguese Socialist Party [PSP] leader Mario Soares, vice president of the Socialist International, rejected an invitation of the Salvadoran Government to attend as an observer in the 28 March elections. He believes that the necessary conditions for holding free and representative elections do not exist there at this time.

The PSP, the main opposition party, also urged the United Nations to appoint a representative accepted by the main democratic forces in conflict in that country, who can act as "a valid intermediary for a cease-fire and the holding of constituent elections at the nearest possible date."

FMLN'S GUERRA COMMENTS ON ELECTION INSTRUCTIONS

PA011940 (Clandestine) Radio Farabundo Marti in Spanish to El Salvador 0100 GMT 1 Mar 82

[Interview with Commander Salvador Guerra, chief of the general staff of the FMLN Northern front; date, place not given -- recorded]

[Text] [Question] Companero Commander Guerra, please receive a fraternal and revolutionary greeting from this station. We want to know your opinion on the trial that the genocidal military-Christian Democratic junta is holding to try the National Guardesmen who murdered the four U.S. nuns in December 1980. We also want to know if the Yankee imperialist aid to the genocidal junta is a determinant factor in our people's struggle for a democratic-revolutionary government.

[Answer] In the first place, I want to thank Radio Farabundo Marti for this interview. I also want to greet the Salvadoran people and the combatants and revolutionary chiefs who are heroically fighting against the genocidal military-Christian Democratic junta. To answer your question, I want to say that we believe that this trial is another circus mounted by the junta and Mr Reagan. They are deceiving no one with this circus because everyone knows that it is being held to justify U.S. aid -- an increase of millions of dollars and tons of weapons -- to continue massacring the people and shedding the blood of Salvadorans. Why aren't the fascist officers who ordered the killings of the nuns being tried? Why are they only trying four former guardsmen who carried out an order issued by superiors? This is very clear. Mr Reagan could not care about the killing of four U.S. nuns and much less of his people [as heard]. All he cares about is the fact that this trial was the I.O.U. that Duarte and Garcia signed in order to receive an increase in aid so that they could remain in power through a very unpopular and genocidal junta.

It is a junta that has no future in our country's destiny. In addition, if this aid is supposed to change the situation of struggle in our country, we want to reiterate that in spite of this aid, we will try to confront it -- these new weapons and criminal tactics that U.S. genocidal military officers are teaching in our country. I believe that we will defeat the enemy regardless of how many more weapons and tactics he gets.

[Question] Regarding the upcoming electoral farce, it is important for our people to have guidelines on how to promote a boycott against this farce in the city and the countryside. What can you tell us about this?

[Answer] Regarding this, the people know perfectly well that these elections are a farce. They are aimed at deceiving certain Salvadoran sectors and certain countries and governments at the international level to consolidate the junta's policy of looting and genocide against our people.

In addition, a campaign is underway in this country. We are witnessing a large media propaganda campaign carried out by the pseudoparties that will participate in the upcoming elections -- which will have no popular representation. We are also witnessing a wave of coercion, terror and pressure.

We learned that the people who vote will get their thumbs dipped in dye or will have their identification cares stamped. This means that they are mounting an entire apparatus of coercion and terror. We have seen how here in San Salvador the enemy has been involved in search and intimidation operations against the masses, particularly in poor neighborhoods. We have also witnessed an increase in patrols, the control of roads and so forth. This is done to frighten the people, particularly in urban areas such as Santa Ana, San Miguel and -- as I have already mentioned -- in San Salvador.

Despite all this terror, we think that the people must not heed the genocidal junta's electoral call. The people must not go to the polls. We must start by doing something -- whether something big or small -- to prevent this electoral farce. We must show this genocidal government and imperialism that the people repudiate their policies of genocide, terror and repression.

In addition, we must participate in combative actions and in actions to support the guerrilas. We must build barricades, hold meetings, promote agitations and mobilizations; in other words, to spread the news that no one should go to the polls. We must also follow the FMLN instructions. We must seek contacts with members of the FMLN, the FDR or any other popular organization and ask for instructions.

The people must also follow instructions given by this station during the elections. We feel that everybody should remain at home. People should not go into the streets in the downtown sectors of the cities or the entrances into towns. They must not pay attention to any call by the government stations or the junta. The people must not circulate near army patrols because they could be hurt in the event of a revolutionary attack. Anybody living next to a garrison must evacuate his home so that when we attack they will not be hurt.

In the countryside the people can participate by building barricades in departmental roads to prevent the mobilization of the army. They must hold rallies, promote mobilizations and also remain at home. They must disregard enemy threats. In other words, everybody must actively repudiate the elections doing anything to prevent this circus and farce from being held.

Regarding this, we are giving a specific instructions; there should be no circulation. No vehicle-whether private or commercial -- should be circulating because we will attack all army and official vehicles and will mine the roads. We are also asking the people not to touch barricades placed in revolutionary towns because they will be mined.

In other words, we will be involved in a number of actions to repudiate the electoral farce. We have to tell this junta and Yankee imperialism that we are not willing to lend ourselves to any electoral farce or circus and that they cannot play with the destiny of our people. We must also get involved -- among relatives, friends, coworkers and classmates -- in following all the orders and instructions given by the FMLN for the urban and rural sectors.

[Question] Our people's military and political activity have increased over the past few months and this is very noticeable. Companero, taking this increase into consideration, what is the outlook for our people's struggle?

[Answer] We are (?thinking along the lines of) a war of attrition to increasingly wear out and annihilate the enemy forces. All our actions are aimed at preparing the insurrectional conditions among the people to organize a partial-general insurrection. [as heard] Regarding this, we have increased our actions, thus taking a leap in our struggle in order to achieve the goals with which we plan to completely defeat the genocidal junta. In this regard, we believe that prior to, during and after the elections we will continue our struggle to reach the people's goals and achieve our final liberation.

[Question] Duarte, Garcia and all the other criminals view this electoral farce as a very important event in the country's life. We want to ask you if the holding of this farce, together with whatever results it may bring, would greatly modify the FMLN's political-military line.

[Answer] I feel that the election results might speed up or delay our goals. However, our political-military line will not change. As I said, we reassert what our FMLN leadership said in a communique in January; we will struggle prior to, during and after the elections until we reach our final liberation. Therefore, the election results will not affect the solution of the people's most urgent problems because these elections are merely a deal among parties which only represent the various trends within the classes. There is truly no opposition or popular group participating in the elections because all the popular, democratic and revolutionary opposition will be behind the boycott to the electoral farce.

[Question] Would you like to add something else?

[Answer] Yes, I would like to reiterate that all the people must follow the instructions given through Radio Farabundo Marti and other FMLN means. In other words, the people must not go to the polls. They must boycott the elections and show the genocidal government, Yankee imperialism and the world that our people repudiate this policy of genocide, terror and repression. We want to tell the peoples of the world that we reiterate that we are able and willing to continue our struggle against the genocidal junta without failing at any time until our final liberation. I want to again thank Radio Farabundo Marti for this opportunity. We expect people to spread the word that we will not, that no one will go to the polls.

RADIO FARABUNDO MARTI GREETS RADIO VENCEREMOS

PA012245 (Clandestine) Radio Farabundo Marti in Spanish to El Salvador 0100 GMT 28 Feb 82

[Text] Radio Farabundo Marti of the FMLN sends combative and fraternal congratulations to our companeros at our sister Radio Venceremos who will initiate a new program next week. The increase in the number of revolutionary programs of Radio Venceremos and Radio Farabundo Marti of the FMLN is another blow our heroic people inflict on the enemy.

This will firmly and decidedly contribute to the defeat of the elections masquerade and to the intensification of the people's liberation war. Counter the lies of the bloody junta with the revolutionary truth.

GUATEMALA

PRESIDENT BLAMES COMMUNISM FOR NATIONAL PROBLEMS

PA272140 Guatemala City Cadena de Emisoras Unidas in Spanish 1230 GMT 27 Feb 82

[Text] General Lucas has said that communism is the cause of our economic situation and of the violence existing in Guatemala. During the inauguration of various government projects in Chimaltenango, President Gen Romeo Lucas spoke to the local and international press corps about several matters of international interest. Lucas said that communism is the cause of the economic problems and violence affecting Guatemala: communism has created violence in Guatemala and now the country is denied loans from abroad; neither is anyone interested in investing in Guatemalan projects. The communists have brought violence and do not respect human rights in Guatemala, the president said.

Regarding the lack of foreign currency, the president blamed the retention of coffee exports. We also have not been able to sell our cotton because the market has not been good, he said. Another matter covered by the president was the ban of the entry of clergy. General Lucas said that we cannot and should not allow the entry of clergy who come directly to join the guerrillas and involve the Indians in violence.

Regarding the 7 March elections, General Lucas said they will be free and that he will invite the press to visit all of the installations. He said that preparations have been made for newsmen to have access to the entire electoral process and have the means to inform the world about the free and clean manner in which elections will be held in Guatemala.

NICARAGUA

SANDINIST LEADER TERMS REAGAN AID PLAN 'ALMS'

PA011710 Managua Radio Sandino Network in Spanish 1200 GMT 1 Mar 82

[Text] Ronald Reagan's misnamed economic assistance plan for the Central American countries is just alms because the requirements of the countries in this area will actually reach an astronomical $20 billion during the next 6 years while the White House is offering only $314 million and a market that is buying our products at prices that keep dropping every day. This was stated by Commander of the Revolution Bayardo Arce during the speech he delivered 28 February at the inaugural session of the National Council of the Sandinist Workers Federation. The assistance -- as Reagan's aides call it -- barely totals Nicaragua's requirements this year and constitutes only 1/3 of the $1 billion required by our sister republic of Costa Rica, the Sandinist leader said:

Arce added that the working class is destined to play an important role regarding the economic crisis that has resulted from the foreign debt we inherited from the Somoza administration. He stressed that the working class must bear this situation in mind when discussing its work program for the next 6 months. After briefly reviewing the nation's difficult economic situation and the aggressive U.S. policy, Commander Arce reasserted that the FSLN and the Nicaraguan people have confidence in the solidarity and cooperation of the community of nations during the difficult times ahead.

SOCIALIST OFFICIAL CRITICIZES REAGAN PROPOSAL

PA261740 Paris AFP in Spanish 2338 GMT 25 Feb 82

[Text] Managua, 25 Feb (AFP) -- Socialist International (IS) Vice President Reinulf Steen, from Norway, said here today that President Ronald Reagan's speech yesterday, announcing his initiative of support for the Caribbean Basin, was both "frustrating and disappointing."

Steen is currently visiting in Nicaragua to learn about Central America's crisis. Today he met with National Reconstruction Junta Member Sergio Ramirez Mercado, with the State Council's Board of Directors and with FSLN Political Coordinator Bayardo Arce Castano. According to the Norwegian leader, should U.S. armed intervention take place in Central America, the Socialist International would maintain a "firmly critical position and would openly support defense of the countries affected."

He added that the United States has no other alternative [words indistinct] Nicaragua but to "acknowledge its free self-determination as an independent nation." He described the fact that President Reagan has offered aid to some countries and issued threats against others as both disappointing and frustrating. Steen regarded Nicaragua as one of the threatened countries.

At the OAS Permament Council yesterday, President Reagan once again accused the Sandinist government of keeping in that country a platform of military aid for the Salvadoran guerrillas. So far, there has been no reaction to Reagan's speech from the Sandinist government. It was been learned, however, that the government junta has requested an official translation of the U.S. proposal. The Nicaraguan government has not confirmed either whether it will be represented at the dedication of the university for peace, slated for Saturday in Costa Rica. Several Central American presidents will reportedly be attending.

U.S. NAVAL MANEUVERS IN CARIBBEAN CRITICIZED

PA270224 Managua Radio Sandino in Spanish 1800 GMT 26 Feb 82

[Text] Washington -- U.S. military maneuvers in the Caribbean -- Ocean Venture 82 -- will begin in mid-April this year. All three branches of the armed forces and the Marines will participate, the UPI News Agency reported quoting Pentagon sources. During the maneuvers, which will last several weeks, there will be a provocative Marine landing in Guantanamo, a U.S. Navy base in Cuban territory, illegally occupied by the United States. These maneuvers are part of a series in the campaign of military threats that Washington is waging against sovereign countries in the Caribbean area and also actual preparation for armed intervention in the region in defense of the repressive governments.

For example, from 8 to 18 March, NATO will carry out naval maneuvers -- operation Safe Pass -- in the Florida Straits, near Cuba. Some 30 warships, aircrafts and troops of six countries, members of the NATO, will participate.

In the meantime, a NATO multinational operational group will carry out another provocative maneuver with 19 warships from 27 February to 3 March, UPI reports.

This display of arms in the Caribbean and U.S. preparations for a major armed adventure in the region are meeting strong opposition, even from the people of the United States, UPI adds. During a hearing held today at one of the House of Representatives subcommittees, Father (Hearn) a member of the U.S. Catholic Conference Council, said that the Reagan administration's intention is to prepare the people of the United States for another long military conflict in the Caribbean area.

HUMAN RIGHTS GROUP ON GOVERNMENT RADIO POLICY

PA271752 Managua Radio Corporacion in Spanish 2300 GMT 26 Feb 82

[Statement addressed to the Nicaraguan Junta of the Government of National Reconstruction by the Permanent Commission for Human Rights, no date given -- read by announcer]

[Text] Commander Daniel Ortega Saavedra, Sergio Ramirez Mercado and Rafael Cordova Rivas: We want to bring special attention to the situation affecting the Mi Preferida and Radio Amor radio stations.

The former was destroyed in March 1981 by a group of people whose action was endorsed by the FSLN National Directorate in a public document. It has been off the air since then because of constant obstacles imposed by the Department of Radio Frequencies. Meanwhile, the latter was closed indefinitely by the General Directorate of Communications Media on 16 January 1982; no decision has yet been made on its fate.

The General Directorate of Communications Media closed seven newscasts indefinitely and suspended a radio station in the first 20 days of January 1982. These sanctions were implemented without any advance notice and in an exaggerated way. It also failed to establish the duration of the closure. This is illegal, because the law says that transmissions can only be suspended for maximum of 48 hours pending a ruling from the permanent special council, which has not yet been created. Therefore, the General Directorate of Communications Media is violating the law that regulates the media.

At a higher level, the freedom of information is being violated within the freedom of the press through existing laws and illegal procedures, such as the constant calls that officials of this directorate and of the Interior Ministry make to quote, notify, unquote, the media directors of the prohibition of certain reports, at the exact moment when the newscast is on the air or when the paper is about to be printed. Another very important action that violates freedom of speech and information is the formation of national networks unexpectedly, even when the event to be carried has no official status. This has been done even to the extent of using a national network to attack owners or directors of other media.

Several radio directors have told us that another way in which the media's freedom is limited is through the Department of Radio Frequencies' imposition of quote, technical, unquote measures that lead to the closure of several radio stations or sow uncertainty and hurt those who are operating the stations. We are making all of these statements in the hope that the government junta will take the necessary steps to fully guarantee freedom of speech.

GOVERNMENT, YEMEN SIGN JOINT COMMUNIQUE

PA261825 Managua Radio Sandino Network in Spanish 1200 GMT 26 Feb 82

[Text] Nicaragua and the Democratic Republic of Yemen condemn the current U.S. administration for its interventionist plans in Central America and for its effort to destabilize the Sandinist People's Government.

In a joint declaration issued on the occasion of Yemeni President 'Ali Nasir Muhammad's visit to our country, he and Commander Daniel Ortega, coordinator of the Junta of the Reconstruction Government, express their views on various aspects of the international situation.

The two parties analyze the Middle East situation and express their concern over developments in that area, which they view as a serious source of danger threatening the security, stability and sovereignty of the states in the region.

They also express concern over the intensification of Israel's aggression against the Lebanese and Palestinians and state their solidarity with those peoples.

The rulers praise the Nonaligned Movement as an irreplaceable element in the struggle for the peoples' liberation and total emancipation. The movement, they say, is a standard bearer of the struggle for peace and international security.

The Yemeni president expresses his support for the peace proposal for El Salvador which Commander Ortega read at the United Nations, and for the resolutions of the meeting of the Permanent Conference of Latin American Political Parties, held recently in this country.

PRIEST ATTACKS EPISOCOPAL CONFERENCE RECORD

PA271942 Managua Domestic Service in Spanish 1835 GMT 26 Feb 82

[National linkup of transmitters]

[Excerpts] We are going to carry a statement by a Christian missionary, the Capuchin priest Justiniano Lieb, who is backed by 25 years of experience and knowledge of the people of the Atlantic coast:

The news that the Nicaraguan Episcopal Conference was going to discuss the problem of the Miskitos of the Atlantic brought joy to many hearts, but it was a joy that did not last when the contents of the Episcopal Conference document were learned. The decades of silence on the Miskitos' situation were suddenly ended, but only to take advantage of a very serious problem to launch a strong attack against the Sandinist People's Revolution and its vanguard, the FSLN.

The pathetic situation of the Miskitos who had to abandon their villages and bury themselves in the Neptune gold mining company, which reaped bonanzas in Somoza's times, was never the concern of the Episcopal Conference of Nicaragua. The silicosis and tuberculosis that the Miskitos caught by working very hard and the premature old age of Miskitos who, while still young, would return to die next to the banks of river from which they had come never merited an article or denunciation from the bishops.

In the seventies, when top Somozists ran the National Development Institute like a personal business -- disregarding the Miskitos' rights to forest and land and despite the firm struggle and charges of Capuchin priest Gregorio Smutko, who was in charge of the area's parish -- the Episopal Conference and its official who was responsible for peace and justice said nothing.

In July 1976, the Capuchin priests of the Atlantic coast met in Matagalpa without the presence of the bishop of the coast, who was invited but did not attend. After many prayers and discussions they drafted a protest note to Somoza.

When Msgr Oscar Arnulfo Romero, archbishop of San Salvador, was killed for his courageous stand in defense of the sacrificed Salvadoran people, no letter was issued to express solidarity or to comdemn this crime.

As we may recall, Reagan chose 1981 as the year in which to stop a loan to Nicaragua. This loan had already been authorized by the U.S. Congress and met the people's needs, particularly for funds to be used to purchase wheat. This decision came in addition to the verbal attacks, slanderous statements, lies and the open aggression against Nicaragua represented by the protection of camps and the training of former national guardsmen in the United States. However, the Nicaraguan Episcopal Conference maincained a shocking silence. The murder of brigade members, Cuban teachers, peasants and entire families by counterrevolutionaries has not prompted a single statement of protest from the Episcopal Conference. Some 200 militia border guards and members of the Sandinist Peoples Army have been killed from July 1980 to date. They left mothers, wives and Nicaraguan families in mourning, but not a word has been heard from this conference on the subject.

The Nicaraguan Episcopal Conference has remained silent in the face of large plots disclosed by the Interior Ministry. Some of these plots include that of Bernardino Larios and some Bluefields people; Steadman Fagoth Muller and MISURASATA [Miskito, Suma, Rata, Sandinist Unity] in Zelaya; and Willian Baltodano's plan to blow up the refinery and the cement factory in the so-called Red Christmas of the counterrevolution, which involved certain Moravian pastors.

On the same day in which the Nicaraguan Episcopal Conference issued its letter, another plot was discovered in Chinandega. This one involved Paz Merlos Zuniga, Pedro Rivas, among others. They were planning to blow up the Pasocaballos bridge in Corinto and several cotton processing plants in the country's western region. But the conference remained silent in the face of all of these attacks.

However, only 1 day before the meeting of the Permanent Conference of Latin American Political Parties, the Episcopal Conference issued a letter that was full of political implications about the transfer and settlement of Miskitos, without even visiting the remote region near the Huahua and Zelaya Rivers, despite the fact that the government had repeatedly invited members of this conference to inspect the government's efforts to protect the Miskitos against the invasions of counterrevolutionaries on the banks of the Coco River.

Finally, in December 1981, after many efforts, the FSLN managed to establish a permanent dialogue commission, but every time that the FSLN has called for the reinitiation of dialogue it was rejected by the Episcopal Conference because of a lack of time.

This commission is the last hope of averting a break between the Episcopal Conference and the Nicaraguan revolution. We ask the holy spirit to shed some light on the Episcopal Conference so that this hope will not be lost. There is an entire church that follows the actions of the Episcopal Conference in the hope that its service justifies its existence.

PATRIOTIC FRONT GROUP TO VISIT MISKITO AREA

PA271720 Managua Radio Corporacion in Spanish 2300 GMT 26 Feb 82

[Text] A Patriotic Front of the Revolution [FPR] delegation will visit the Atlantic coast and Miskito settlements. FPR members announced that a delegation will visit the Atlantic coast and the Miskito settlements next week in order to study the problem that might exist there.

According to leaders of this political movement, which is linked to the FSLN, the delegation will include members of each of the political parties that are FPR members. These parties include the Nicaraguan Socialist Party, the People's Social-Christian Party, the Independent Liberal Party and the communist parties [as heard].

The FPR delegation will be led by Gustavo Tablada and Cesar Delgadillo. The main reason for its mission is to learn about the Miskitos' situation in their own area, after which the delegation will come to Managua and report everything that was seen and heard on this trip.

ANTI-SANDINIST BAND DISMANTLED, ARMS SEIZED

PA271852 Managua Radio Sandino in Spanish 0300 GMT 27 Feb 82

[Excerpt] Esteli, Nicaragua -- Officials from the first military region of the Interior Ministry announced at a news conference today that the Sandinist police and the voluntary police staged the heroic Monimbo operation in the early morning hours. The operation was conducted against a band of counterrevolutionary criminals who had been operating for the past 3 months in the communities of San Roque, El Pital, (El Guailo) and (El Bolson). The band was dismantled. Weapons amounting nearly to an arsenal were found in their possession and seized.

The following counterrevolutionaries were captured in the operation: (Catalino Huete), the band's leader; (Reinaldo Meza), a former Sandinist policeman in 1979; (Luis Altamairano), (Marcelino), (Alejandro), (Domingo) and (Gumersindo Altamirano Huete), all brothers; (Pedro Ramirez); and three other unidentified individuals.

CASTRO MEETS WITH GDR'S GERHARDT WEISS

FL241207 Havana Domestic Service in Spanish 1145 GMT 24 Feb 82

[Text] Commander in Chief Fidel Castro, first secretary of Cuba's Communist Party Central Committee and president of the Councils of State and Government, last night held talks with Gerhard Weiss, deputy chairman of the GDR's Council of Ministers, who is visiting our country to participate in the meeting of the Cuba-GDR intergovernmental committee for economic cooperation. Weiss and Carlos Rafael Rodriguez, vice president of the Councils of State and Ministers and president of the Cuban side on the intergovernmental committee, reported to Fidel on the successful development of the conversations, during which fundamental problems of the economic relations between Cuba and the GDR were discussed.

Delegation Tours Farm

FL251402 Havana Domestic Service in Spanish 1058 GMT 25 Feb 82

[Text] Gerhardt Weiss, deputy chairman of the GDR Council of Ministers, and his delegation have visited the Valle de Picadura livestock breeding center in Havana's Madruga municipality. The high-level delegation led by Weiss is in our country to participate in the meeting of chairmen of the Cuba-GDR intergovernmental committee for economic cooperaton. Ramon Castro Ruz, member of the party's provincial committee in Havana and director of the dairy district, explained the 12-year development and aims of the Valle de Picadura center. Carlos Rafael Rodriguez, vice president of the Councils of State and Ministers, accompanied the GDR delegation on its tour.

Delegations Begin Talks

FL260040 Havana Domestic Service in Spanish 2230 GMT 25 Feb 82

[Text] Carlos Rafael Rodriguez, member of the party Politburo and vice president of the Councils of State and Ministers, and Gerhardt Weiss, deputy chairman of the GDR Council of Ministers, presided over the talks that began today between delegations of the two countries. The delegations are evaluating the work of the joint committee for economic, scientific and technical cooperation. During the meeting the delegations exchanged reports on the progress of the economies of the GDR and Cuba, fulfillment of the yearly plans and the prospects for development.

Protocol Signed; Guests Leave

LD262316 East Berlin ADN International Service in German 1818 GMT 26 Feb 82

[Text] Havana, 26 Feb (ADN) -- Gerhardt Weiss, chairman of the GDR-Cuban joint economic committee and chairman of the GDR Council of Ministers, and Carlos Rafael Rodriguez, deputy chairman of the Councils of State and Ministers of Cuba, signed a protocol at the end of talks they held in Havana today. The talks centered on measures and opportunities for further deepening cooperation between the two countries.

During the delegation's 1-week visit to Cuba, Weiss was received by Fidel Castro, chairman of the Councils of State and Ministers of Cuba. The GDR delegation visited several industrial and agricultural centers, including a ceramics factory, a citrus fruit combine, the "Habana Club" rum factory, production plants for trucks, cardboard boxes and clothing, a brewery, and the Valle de Picadura cattle breeding enterprise. Weiss and his delegation left for home today.

FRENCH SOCIALIST CALLS CUBAN POLICY 'PRUDENT'

PA281332 Paris AFP in English 1314 GMT 28 Feb 82

[Text] Havana, 28 Feb (AFP) -- Cuban policy in Central America is one of "marked prudence" and devoid of any political "adventurism," the number two man in France's governing Socialist Party said at the close of a visit to Cuba this weekend. Jacques Hutzinger, French Socialist Party deputy-secretary and foreign affairs specialist, told a press conference at the end of his 4-day stay he was convinced that "Cuba is not seeking to export its (socialist) model," a view diametrically at variance with that of U.S. Secretary of State Alexander Haig.

Of his meetings here with two Cuban Communist Party officials, one of them the Politburo's specialist in Latin American affairs, Mr Hutzinger said: "We had frank and comprehensive talks on matters relating to the region as well as international politics as a whole." Mr Hutzinger spoke of a possible "third road" in Central America between "conservative dictatorship and the threat of communism," adding that there had been "changes of a progressive democracy" emerging in the revolutionary Sandinist model in Nicaragua.

Mr Hutzinger said Central American trouble spots created the risk of "multiple interference," in the first place from "the North American power," which he said "considers it has the right to act in order to guarantee a certain brand of order." Other powers posed the same risk, "among them the Soviet Union, either directly or indirectly," he added.

Turning to international matters, Mr Hutzinger said he had found "more points of disagreement being over Soviet policy with regard to Afghanistan, Poland, the Euromissiles question, and "Moscow's relations with the Italian and Spanish Communist Parties." In Africa, Mr Hutzinger said the French Socialist Party was anxious for Cuba to withdraw its troops from Angola, though the party "understood" that country's difficulties regarding incursions by South Africa. "As I see it, Cuban troops will not leave the country as long as the Namibian question is not settled," he added. On the other hand, he could see no necessity for the presence of Cuban troops in Ethiopia, where "Somali threats are not sufficient justification."

NICARAGUA'S CORDOVA VISITS SANTIAGO DE CUBA

FL271410 Havana Domestic Service in Spanish 1100 GMT 27 Feb 82

[Text] Dr Rafael Cordova Rivas, member of the Nicaraguan Government junta has visited historical and tourist sites; in Santiago de Cuba, including sites so dear to our country as the Siboney Farm and the 26 July school city. The senior Nicaraguan leader is visiting Cuba at the invitation of Commander in Chief Fidel Castro, president of the Councils of State and Ministers. At the Siboney Farm, Dr Cordova Rivas wrote in the visitors' book: I am happy to visit this place from where the heroic revolutionaries left to struggle for Cuba's freedom and to establish a government of social justice, changing the traditional structures of exploitation.

MALMIERCA SEEKS NONALIGNED MEETING ON IRAN-IRAQ

PA271521 Havana International Service in Spanish 0000 GMT 27 Feb 82

[Text] Cuban Foreign Relations Minister Isidoro Malmierca has sent messages to his Indian and Zambian counterparts, as well as to the head of the PLO Political Department, to organize a meeting of the nonaligned countries mediating commission, which is striving to achieve a peaceful and just political solution to the war between Iran and Iraq. The participants in the meeting will study the possibilities of renewing efforts to end the war, which has resulted in many dead and the loss of resources and which represents a threat to world peace.

CARIBBEAN AREA LEADERS COMMENT ON U.S. AID PLAN

FL011446 Bridgetown CANA in English 2112 GMT 27 Feb 82

[Text] Bridgetown, Barbados, 27 Feb (CANA) -- Business leaders and right-wing governments in the Caribbean say they think President Reagan's aid plan for the region and for Central America will go a long way towards easing problems and difficulties in getting an adequate level of foreign investment. But labour representatives and left-wing political parties say they have some misgivings about the plan, especially the decision to exclude Grenada's leftist Peoples Revolutionary Government (PRG).

Commenting on Mr Reagan's plan to ask Congress to provide "significant tax incentives" for investment in the Caribbean Basin, Dominica's prime minister, Mary Eugenia Charles, said: "I expect we will get some investors because this incentive, tax-wise to the person in the United States, will attract him to come here to invest."

Jamaica's prime minister, Edward Seaga, told reporters that the Reagan plan, detailed in an address to the Organisation of American States (OAS) last Wednesday, would magnetise the Caribbean as a new production centre. It was not what the package offered for the marketing of goods now produced that was of great significance, but the potential opened for new production and investment, Mr Seaga remarked.

Antigua and Barbuda's deputy prime minister, Lester Bird said the U.S. proposals to give Caribbean products a 12-year duty-free access to the American market would give the islands manufacturing sector "a new lease of life" and will create more employment.

The Caribbean Congress of Labour (CCL), which has 26 trade union affiliates, said the plan has some commendable aspects, but added: "The CCL must express its deep concern over the apparent exclusion of Grenada and favouritism towards Jamaica..."

Jamaica and the Dominican Republic are expected to receive the bulk of the aid for the Caribbean Basin. President Reagan described Jamaica as a country "making freedom work", but Grenada as one in the "tightening grip of the totalitarian left" and a threat to democracy in the region.

The President said: "The dark future (for the region) is foreshadowed by the poverty and repression of Castro's Cuba, the tightening grip of the totalitarian left in Grenada and Nicaragua, and the expansion of Soviet-backed, Cuba-managed support for violent revolution in Central America."

A Barbadian left-wing group, the Movement for National Liberation (MONALI), said Reagan's address was "a slap in the face to Caribbean dignity." It described the speech as one having "all the earmarks of a public relations exercise designed to prop up all types of corruption and undemocratic regimes in the region and ensure the continued economic exploitation of most of the area by U.S. transnational corporations."

The small Barbadian People's Pressure Movement (PPM) also protested the exclusion of Grenada.

But head of the Private Sector Organisation of Dominica (PSOD), Parry Bellot, did not share those sentiments. He said Grenada should not expect the American taxpayers to allow their money to be spent to aid the U.S. enemies. "We are pleased with new American (aid) emphasis," Mr Bellot said, "although we hope that government-to-government aid programmes would continue."

The Barbados-based Caribbean Association of Industry and Commerce (CAIC) said the U.S. plan for a one-way free-trade area was a major step forward. But CAIC executive director, Pat Thompson, said that the 350 million dollars (U.S.) in bilateral assistance proposed by President Reagan should be deployed in programmes needed to develop infrastructure vitally needed in the less developed countries (LDC's) of the Caribbean. "Indeed, many of the LDC's, for example Dominica, could not make use of the private investment projects unless infrastructure was put in place," he remarked.

The premier of St Kitts-Nevis, Dr Kennedy Simmonds, said: "The 350 million dollar aid package is critical to us in the LDC...."

The CCL expressed some concern about the emphasis on foreign investment. "So far, it has nowhere fuelled equitable developments -- it reinforces economic disparities, political repression, concentration of wealth and social dislocation," the CCL charged.

"Associated with such investments are the risk of industry failures, along with government's vulnerability to companies success; governments may feel threatened by powerful firms which may demand additional concessions."

Editors of independent dailies have generally welcomed the plan, but the EXPRESS newspaper of Trinidad and Tobago sounded a warning. It said the region had to guard against allowing the plan to trigger a wave of corruption. "If in response to the Reagan proposal the Caribbean will be at the receiving end of a flood of American manufacturers anxious to get foothold in a relatively cheap labour market, the result could well be economic chaos," an EXPRESS editorial said. "In a situation of is kind, we might be the victims of a free-for-all, with entrepreneurs playing one territory aginst another, and new rounds of bribery, corruption, and whatever."

DOMINICA

PRIME MINISTER CHARLES COMMENTS ON REAGAN PLAN

FL262325 Bridgetown CANA in English 2129 GMT 26 Feb 82

[Text] Roseau, Dominica, 26 Feb (CANA) -- Dominica today said that it was looking forward to building its infrastructure with assistance from President Ronald Reagan's Caribbean Basin aid initiative.

Prime Minister Mary Eugenia Charles said she was optimistic that it had "some good things in store" for the country.

On Wednesday Mr Reagan gave details of the plan, including duty-free entry of regional goods to the U.S. market and assistance to hard-hit economies.

"One of the things I appreciate most about this (plan) is that the United States Government has considered it necessary to talk to us, the recipients, to ensure that whatever they are thinking of doing for us is in line with what we ourselves want," Miss Charles remarked.

She said that at the initial stages, when word of the plan was first made public, many people felt that it would have looked at such areas as investment, trade and industry.

"We have noticed that they have placed emphasis on aid because we made it quite clear that all the English-speaking Caribbean and particularly the smaller islands...without aid will not be able to take part in the plan," she said.

This, she said, was because many of the small islands did not have the necessary infrastructure to benefit much from the proposed plan, she added: "Our infrastructure needs sorting out, it requires m oney for development if we are to attract people to come in here and do business."

Miss Charles said that she believed out of the plan "we would get commitment for the roads which they have been discussing for some time."

The government is seeking several million dollars to repair roads here.

Miss Charles said she hoped assistance would also be forthcoming in the area of airport development.

"I expect we will get some investors because this incentive, taxwise to the person in the U.S., will attract him to come here to invest," she said.

GRENADA

U.S. CHARGE THAT COUNTRY POSES THREAT REJECTED

FL011626 Bridgetown CANA in English 1709 GMT 28 Feb 82

[Text] St Georges, Grenada, 28 Feb (CANA) -- Grenada, through its state-owned FREE WEST INDIAN newspaper, has rejected last week's charge by U.S. President Ronald Reagan that the leftist Caribbean Island which has close ties with communist Cuba, poses a threat to regional peace and security.

President Reagan has accused the Cubans of building up a weapons arsenal unprecedented in recent history and of funnelling arms to leftwing Guerrillas fighting to topple the pro-Washington government in El Salvador.

Said the paper in its lengthy weekend editorial on the issue: "Any peace-loving and honest person must regard as dangerous and threatening to the people of the Caribbean, statements made this past week by U.S. President Ronald Reagan attacking Grenada.

"In his speech at the OAS conference in Washington, Reagan attacked our country by saying that Grenada was a threat to peace and that "Washington will do whatever is prudent and necessary to ensure the peace and security of the Caribbean area."

"We question the right of Reagan and his gang of warmongers to pose as "defendenders of peace" in the region.

"It is Reagan and his government, not Grenada who, faced with the most massive economic disaster in the history of imperialism since the 1930's and with 10 million working people unemployed, are trying to solve their problems by making weapons of war, threatening war and ultimately engaging in war.

It is Reagan and not Grenada who has moved to abolish trade unions, such as the Professional Air Traffic Controllers (PATCO), whose union was destroyed by White House legislation.

"It is Reagan, not Grenada, who has slashed health benefits to the U.S. people, eliminating up to five million children from immunisation from poliomyelitis, while spending millions on chemical weapons, small amounts of which can eliminate whole cities.

"It is Reagan, not Grenada, whose closest ally is the dictatorship in El Salvador, acknowledged as being mainly responsible for the murder of 30,000 of its own citizens in the last two years.

"It is Reagan, not Grenada, who supports the equally genocidal dictatorship in Guatemala and the brutal Baby Doc dynasty in poverty stricken Haiti.

"It is Reagan, not Grenada, who spitting in the face of world opinion, continues to support, and is the main ally of racist South Africa.

"It is Reagan and his generals, not Grenada, who have 500,000 troops stationed outside his country in 2,500 military bases in 114 countries, together with 12,000 nuclear warheads.

"No, we reject the notion that our small country is a threat to peace. The threat to peace in the entire world comes from U.S. imperialism, now under the leadership of cowboy Reagan, heading more and more in the direction of fascism, walking in the footsteps of Adolf Hitler.

"Despite our poverty, despite the threats from imperialism and the war manoeuvres directed against our country: such as Amber and the Amberines and Red X-81 last year, and the NATO "Operation Safe Pass" manoeuvres planned for next month, we are continuing to build a truly democratic and peace-loving society.

"We are continuing to construct our economy as in the last three years when we experienced an accumulation growth of close to 10 per cent.

"We are continuing on the international level our struggle for peace, disarmament and nonalignment. Most of all, Grenada is continuing to choose her friends and will not be dictated to by any power as to who these friends might be.

"We will never bow to the threats of Reagan or any member of his cowboy gang. We are not for sale.

HAITI

GOVERNMENT WELCOMES REAGAN PLAN FOR CARIBBEAN

PA261750 Paris AFP in Spanish 0250 GMT 26 Feb 82

[Text] Port-au-Prince, 25 Feb (AFP) -- The Haitian Foreign Affairs and Wordship Secretariat announced today that the Haitian Government hopes the expectations raised by President Reagan's generous message will materialize in the near future through positive action. Haiti should be one of the main beneficiaries.

The Haitian Government says in a press release that "It is very pleased to note that for the first time a vast economic plan has been conceived for the Caribbean region." It feels that the promises made by President Reagan "constitute a decisive stage in the evolution of relations between the United States and the countries of the area."

The expansion of current assistance programs, the creation of a one-way free trade zone, the increase in textile quotas and the various measures aimed at promoting U.S. investments in the region are underlined by the Haitian Foreign Secretariat.

The Secretariat adds that Reagan's concern about regional security in face of the threats posed by communist expansionism" coincides with that of the Haitian Government.

U.S. assistance to Haiti this year will include, besides the special supplementary credits Reagan has asked Congress to approve, between $12 million and $15 million of aid for development alone (agriculture and a feeder road network) and $21 million in food aid, of which one-half will be donated and the other half paid over a 40-year period with a substantial grace period.

Regarding military affairs, a source close to the U.S. Embassy in Port-au-Prince said that there will be no spectacular increase in military assistance to Haiti this year.